

El Shaddai HOA Board Meeting – March 2, 2022 6pm
Minutes taken by Jennifer Sneed, Secretary

Attending: Richard Vickers, Dave Vicks, Jeff Burger, Tom McLean, Melissa Hall, Jennifer Sneed, Mike Letscher

Objectives: Discussing imposition of late fees and methods for addressing nonpayment of HOA dues

1. Payment options.
 - a. Melissa and Kathy have been working on payment options including CC (3%) and through bank (1%) with a fee.
 - b. Options will be provided with dues statement
2. Late fees
 - a. Covenant allows to charge 10% per year in late fee. Approved by board in April of 2021.
 - b. Decision made to charge 0.8% per month after 6 months late.
3. Nonpayment
 - a. Discussion:
 - i. NC law says we need to send them a demand letter stating what they owe, following which we can place a lien on the property
 - ii. Demand letters were sent out 2 years ago – not much response, one party conveyed the property to the HOA
 - iii. Can follow legal protocols for non-payers, however, at the end we will have to sell lots.
 - iv. Need to be consistent. Need to have a punitive system in place to enforce HOA dues.
 - v. Could reach out to adjacent lot owners to see if they want to buy these lots.
 - vi. Could we meet with tax people to see if taxes can be lowered because lots are unbuildable. Macon Co. tax office is easy to work with. Formal process for combining lots requires an appraisal and can only be done every 3 years.
 - vii. Richard thinks we should make personal contact with these people.
 - viii. Tom is concerned about getting ahold of people. We can't reveal personal finances. Would have to open option up to everyone in the community.
 - ix. Would foreclosing on the nonpaying lots bring us closer to forum to be able to change bi-laws? There may be repercussions to changing the bi-laws. Our HOA was created before "Model Law". If we change our covenants we will be bound by the "Model Law"
 - x. Covenants state that property sold with back dues, the new owner is responsible.

- b. Tom motioned to approve proceeding with collections, Melissa seconded, unanimously approved to move forward with demand letters. Need to check notes from April 2021 for specifics of what was decided. Vote today was not actually needed. 10 days after demand letter then a lien gets filed. After that, we would have to pay a lawyer to do a non-judicial procedure to take over ownership.
- 4. Kathy Gross offered to do a directory. Melissa and Kathy will work on that along with a map.
- 5. Tom motioned to adjourn. Meeting ended 6:58 pm.

Jennifer Sneed, Secretary

A handwritten signature in black ink, appearing to read "J Sneed", written in a cursive style.