

**Wolf Laurel Road Maintenance & Security - Homeowners Association
Minutes of the Meeting of the Board of Directors
February 15, 2019**

The meeting was called to order by President Smith at 10:00 A.M.
Directors in attendance in person: Kessler, Krueger, McCaghren, Simmons
Directors in attendance by phone: Moeller, Pendleton, Romero, Smith
POA Liaison in attendance by phone: Veatch
Directors absent: Parker
Staff in attendance: Connor, Porche', Wyatt
Audience: 4 in attendance

Welcome

Approval of the Consent Agenda

- A. Minutes of January 18, 2019
- B. Accept the Road Report as Presented – See attached
- C. Accept the Security Report as Presented – See attached

McCaghren made a motion to approve the Consent Agenda. Motion carried 8 – 0.

Finance: Louise Wyatt

Wyatt reported the only change in the balance sheet was the purchase of the truck.
Collection of billed 2019 assessments: Collected 40% of lots and 55% of homes.
McCaghren reported he has verified the bank reconciliation.
Krueger moved to accept the finance report. Simmons seconded. Motion passed 8 – 0.
McCaghren added RMS has received Blue Mountain's payment as reflected by their books.

WLPOA Liaison – Larry Veatch

The POA Valentine's Day event is tonight, February 15th.
The POA St. Patrick's Day event is scheduled for March 15th.
There is a hot water supply at the sink (near the library) in the Village Club Community Center.
The POA is considering adding a hot water supply at the Pavilion.
The POA discussed the guest program using ambassadors. Veatch plans to meet with Earlene Shofi to discuss what has been tried in the past and will report back.

Standing Committee Reports

Communications and Community Relations: Larry Smith

Smith reported that he has been responding to emails that have resulted from the billing of the 2019 assessments.
The repaving of Wolf Laurel Rd. will be an upcoming event that will create a major communication's project (email and direct mail).

Finance/Insurance: Willie Romero and David Pendleton

Insurance: Pendleton reported there is insurance coverage for committee members just as there is

for board members through the WLRMS's E & O policy. He also said it was not necessary to publicly announce each committee member in a board meeting in order for them to be covered.

Finance: Romero reported he had no action items to report on.

Romero asked Louise to update the board on the status of the accountant's review. Louise said she sent them a trial balance explaining any differentials of 10%. She has not heard back from them. Wyatt also reported that the insurance auditor came and conducted the payroll audit.

Resolution to Approve Carryover of Funds for IRS Records

Smith read the Resolution for Carryover Funds. See attached.

Simmons made a motion to adopt the resolution. Kessler seconded. Motion carried 8 – 0.

Legal: Brent McCaghren

- A. WWTP – No Report
- B. Trademark Issue Update – To be carried over to Executive Session.

Roads: Willie Romero (Read into minutes by Larry Smith)

Discussion of Resurfacing Wolf Laurel Road

The Roads Committee is working on a recommendation to repair and resurface Wolf Laurel Road.

We have obtained a preliminary estimate from a contractor who has proposed resurfacing with asphalt which would be compacted to 1.5 inches. The cost for the two mile stretch from the front gate to the intersection of Wolf Laurel Road and Ridgeway is \$288,550.

At the request of the Board, we are obtaining a quote from engineering firms to evaluate the road; make recommendations; and provide oversight. Request for proposals were sent to three firms. The RFP outlined the scope of the project and requested a response by February 25.

The board will then evaluate the proposals and decide whether to proceed to the next step which would be to have the selected firm inspect and evaluate the road and make a recommendation by March 25.

The committee recommends repairs and resurfacing be done this spring. Ideally the work would be finished by mid-May.

Recommend establishing an ad-hoc committee to explore funding options. The funds from this project could be in part covered from prior year income/reserves. The remainder could be paid through voluntary contributions; private and/or commercial loans; and/or a onetime special assessment if it becomes necessary.

The board discussed whether or not to hire an engineering firm through a bidding process and what kind of information RMS would want that firm to supply.

Smith summarized how we got to where we are with WL Road and how to proceed forward. Smith said we have raised half of what is needed, but the road is deteriorating quicker than

expected so we need to expedite raising the other half. Three options on raising the other half are as follows: Contributions from the entire Wolf Laurel Community, lending agency willing to finance the project or a special assessment.

Krueger made a motion to authorize the Communications Committee to make a solicitation through contributions and that the solicitation will be wide in terms of the outreach (all of Wolf Laurel's communities inside the gate). Anyone who contributes will be credited for the amount they contributed if there is a special assessment (they will not be expected to pay twice). Simmons seconded. Motion carried 8 - 0.

Romero made a motion by email on February 25, 2019 to sell the 2005 GMC 2500 for \$600. Moeller seconded. Motion carried 8-0

Security: Krueger and Parker

Krueger reported the Security Committee met Monday, February 11th and went over its 2019 goals.

Porche' has been tasked with making the Security Policy and Procedure Manual up-to-date which is moving along. Jim DeLoatch has been working alongside Porche' in completing this. The manual will be ready by the agreed date.

We are waiting for good weather to continue with the back gate security system installation.

The installation of the new cameras and monitor for the front gate began February 14th.

The committee is asking that quarterly e-blasts be sent out to update and education the community on security policies and other concerns that might arise. Four topics that were identified were the speed policy, guest policy, information about the camera and audio system at the front gate and the Preserve gate and fire safety.

Krueger said that the gate house is in need of improvements. Krueger, Simmons, Porche' and DeLoatch will be looking at the gate house and developing a list of needs.

Property/Facilities: Jim Simmons

Simmons reported that there is not a start date from the contractor for the drain field because of weather. Simmons will be meeting with Orville to locate his lines and flag them.

Simmons is coordinating a meeting with all the entities that will be involved in installing the water tank at the club that will be used for a water source for the fire department.

The RMS office building is being reviewed. Electrical and heating are being looked at.

ARB: Mike Stapleton

Stapleton reported that the ARB Committee met with Jered Silver last week.

He reported, since last meeting, there are:

2 pending minor exterior applications

2 tree applications

1 pending new construction application

He reminded everyone before work begins, call Jered and complete the necessary application.

Stapleton requested to meet with the board in executive session to present a proposal involving two homeowners.

Also, he reported that a letter has been sent out to a homeowner whose time has expired to complete their building project. The letter explained what the homeowner needed to do to comply, but he has not heard back from them.

Long Range Planning: Cynthia Kessler

Presentation of Standing Committee Guidelines

Kessler made a motion for the board to approve the committee descriptions submitted by the Long Range Planning Committee (see attached) and that the descriptions are included in the notebook of the organization as well as noted in Article II of WLRMS's Policies and Procedures under Committee Descriptions. Smith seconded. Motion carried 8 – 0.

Kessler said the committee is still working on the Reserve Study.

Old Business:

None

New Business:

None

Audience Comments:

Jim DeLoatch expressed his concerns about the uninvited guest proposal in the last board meeting. He is opposed to this proposal.

Next work session is Wednesday, March 6, 2019 @ 10:00am

Board meeting is Friday, March 15, 2019 @ 10:00am

The meeting was adjourned by President Smith.

Respectfully submitted,

Willie Romero, Secretary

Attachments: Road and Security Reports; Financial Resolution; Committee Description & Duties

Wolf Laurel Road Maintenance

Monthly Report

February 6, 2019

Since last report

Roads:

- Wolf Laurel has had 8 plowable inches of snow that has required 34 hours of overtime, 20.5 hours performed by hourly employees (paid at time and a half), 13.5 hours performed by salary employee (no cost to Wolf Laurel).
Overtime hours for January 2018 amounted to 67. Overtime hours for January 2019 amounted to 34, which is 33 less hours than the previous year.
Due to the extreme cold temperatures we have had to use approximately 12 tons of salt mix to treat roads.
- RMS crews have spread and graded out 20 loads of ABC-M, which is around 300 tons, to make roads passable.
- This year RMS is planning on replacing 23, 18-inch HDPE pipes, 1, 24-inch HDPE pipe, and 1, 36-inch HDPE pipe. With the new gravel budget in place we are planning to put 250 loads of ABC-M on our gravel roads to try and reconstruct our road bed. RMS will be doing the match loads again this year if anyone is interested in participating.

Equipment:

- Vermeer chipper was put in the shop for motor repair, and fuel pump. The cost of repairs was \$466.75.
- The 2008 Chevrolet had the snow plow bracket and wiring harness installed. Installation cost was \$891.00.
- Volvo motor grader had some wiring issues while clearing roads. Had to replace the transmission ECU (Electronic Control Unit), shifter board, and the hydraulic solenoid on the transmission. Volvo has not made an invoice for the parts and service call. Volvo stated it would be the first of next week when the invoice would be delivered.

Fuel Usage:

- On road diesel: 82.20 gallons
- Off-road diesel: 132.20 gallons
- Gas: 141.4 gallons

Personnel:

- Wolf Laurel RMS has hired a part-time laborer employee, Aaron Riddle. Aaron started on January 28th.

DRAFT

SECURITY REPORT- 2-6-2019

1) Had a busy week, Lisa is still out with her surgery, Debbie has been out all week with a death in family, Tiffany called out because of snow, we did not have a lot of overtime due to moving roving her schedule to a gate schedule, Chuck worked part of it and Cody worked part of it, I roved when they were off shift .

2) Canceled one of the new orange barcodes, due to someone being at Bald parking lot. Escorted him out. He forfeited his money and will be signed in on entry.

3) Had a near head on collision at Laurel In. and Wolf Laurel Rd Hit & Run , person recognized thru camera images.

4) We have had 2655 skiers signed in at the gate Jan. 1st -Jan 27th.

5) Roving patrol has run 2150 miles this past month.

6) We have received all the cameras and monitors to hook up new cameras at front gate so you should see an increase of security personnel at the gate.

7) Had a bimonthly meeting with security staff.

8) 8) Fuel costs for January were \$479.23.

9) Maintenance / repair cost for January were \$108 8.80.

10) There is a need to purchase a set of studded tires for the jeep (these tires are into their 3rd season) The price of \$763.00 for 4 tires studded, balanced, taxes.

11) Going to have to look at getting barcode reader repaired or replaced, it is getting erratic in reading barcodes.

Ken DOS

**RESOLUTION OF THE BOARD OF DIRECTORS OF WOLF LAUREL ROAD
MAINTENANCE AND SECURITY HOMEOWNERS ASSOCIATION, INC.**

The undersigned, being the Secretary of the Wolf Laurel Road maintenance and Security Homeowners Association, Inc., a North Carolina not-for-profit corporation (the "Company"), hereby certifies that he is the duly elected and acting officer of the Company charged with the duty of maintaining the official records and minutes of the Company; and further certifies the following actions were taken by the Company's directors by a majority vote at a meeting of the Company on February 15, 2019 duly called and held in accordance with the Articles of Incorporation and the Bylaws of the Company and in further compliance with applicable law:

WHEREAS, each year, following year end, and following all necessary and appropriate year-end accounting adjustments the Board makes an election to account for revenue defined as "excess member income" pursuant to Revenue Ruling 70-604 (hereinafter the "funds"); and

WHEREAS, the Board believes it is in the best interest of the Company that the funds be applied against the 2019 assessments so that such revenue may be utilized by the Company to pay for continuing operating expenses of the Company; and

WHEREAS, the Board desires the minutes of the organization reflect said election,
NOW THEREFORE, BE IT RESOLVED that the Board has approved that the funds for 2018 be applied to the 2019 assessments and that such election be documented in the minutes.

This 15th day of February, 2019.

Secretary

Architectural Review Committee

The committee's duties concern the orderly physical development of Wolf Laurel. In fulfilling these duties the committee shall:

1. work with property owners to implement the policies, plans, and conditions of the Covenants, the Architectural Guidelines, and other documents governing architectural, construction, and natural resource activities in the development;
2. monitor and investigate evolving problems and issues concerning the physical development of the community and report such problems and issues to the Board, providing relevant data and advising the Board on appropriate actions in response including suggested updates or revisions to the Architectural Guidelines, fee structure, or such other matters as may be requested or appropriate;
3. report to the Board monthly on activities, approvals, and denials;
4. work cooperatively with the Finance/Insurance Committee on assessments and other fiscal matters related to development in the community;
5. supervise the work of the ARB administrator, including reporting to the Board on annual reviews of the administrator's job performance;
6. such other duties as may be requested by the Board.

The mission of the committee is to provide consistency, compliance and equity in the implementation of policies, plans, and conditions of the Covenants, the Architectural Guidelines, and other documents governing the physical environment of Wolf Laurel.

Communications and Community Relations Committee

The committee's duties concern the Board's liaison with stakeholders, particularly members of the Wolf Laurel community. In fulfilling these duties the committee shall:

1. work with office staff to maintain a database of contact information for all Association stakeholders, including a current database of all owners of property in the community,
2. work with office staff to provide frequent and timely communication of relevant news, issues, projects, and developments about roads, security and Covenants and other rules and regulations that govern the community;
3. work with road maintenance, security, and office staff to provide frequent and timely communication in the case of emergencies in the community including weather emergencies, other natural emergencies, or unanticipated matters of public safety;
4. provide a easily accessible, user-friendly, comprehensive, and effective website as a platform for complete and current information relevant and important to all interested parties;
5. develop and maintain easily engaged points of mail, phone, and internet contact for stakeholders with questions, suggestions, or concerns related to RMS operations and activities;
6. report to the Board monthly on communications provided and received from stakeholders

- of importance to the activities of the Board;
7. sponsor and support events and activities within Wolf Laurel that contribute to community unity through open communication, collaboration and cooperation;
 8. initiate, coordinate, or participate with other organizations within the community in promoting Wolf Laurel and in ongoing liaison with the Madison and Yancey County communities;
 9. such other duties as may be requested by the Board.

The mission of the committee is to enhance a free flow of communication to and from the Board and all stakeholders of Wolf Laurel by updating the stakeholders on the decisions of the Board, the condition and operations of the Association, and by providing opportunities for the stakeholders to freely respond to those decisions and operations.

Facilities and Real Property Committee

The committee's duties concern real property assets owned by the Association. In fulfilling these duties the committee shall:

1. work with office staff to maintain an inventory of all such assets;
2. monitor the maintenance, construction, improvement, repair, and operation of such assets;
3. identify and investigate problems and issues arising in the management of the Association's facilities, and provide the Board with relevant data and recommendations for such repairs and replacements as appropriate to a state of improvement and good repair;
4. report annually to the Board on the state of the assets;
5. implement and/or supervise implementation of decisions of the Board regarding such assets;
6. report to the Board monthly on current projects and issues before the committee;
7. work cooperatively with the Finance/Insurance Committee to obtain resources to carry out this mission;
8. work with the Long Term Planning/Governance Committee to identify reserve funds appropriate to renew the community's assets in a timely fashion;
9. periodically review the land holdings of the Association to recommend those that should be declared greenspace and removed from the county tax rolls and those that should be held for the use of the Association;
10. such other duties as may be requested by the Board.

The mission of the committee is to effectively and efficiently maintain and improve the facilities and property assets through which the Association serves Wolf Laurel.

Finance/Insurance Committee

The committee's duties concern the fiscal health and planning of the Association. In fulfilling these duties the committee shall:

1. develop annual operating and capital budgets for the Association;

2. identify and recommend to the Board adequate sources of funding for its activities;
3. supervise office staff in managing daily fiscal operations, including bank accounts, investment of reserves and all other treasury functions;
4. publish monthly budget and balance sheets, including both monthly and year-to-date comparisons of actual versus budget revenue and expenses;
5. work cooperatively with the Long Range Planning/Governance Committee to develop and maintain a schedule of reserves, and 10 year rolling projections of reserves needed to replace capital equipment;
6. identify and develop appropriate proposed major capital projects requiring funding from regular and/or special assessments;
7. oversee and work cooperatively with a qualified CPA in conducting annual, independent audit and accounting reviews of Association books, accounts, and financial statements;
8. conduct an annual review of current and projected insurance coverage, including the rating of insurance companies providing coverage, broker recommendations, assessments of financial risk and cost of appropriate coverage, and provide the Board with relevant data and recommendations for appropriate changes in coverage;
9. support the Board with financial and risk analysis regarding its proposed and ongoing activities;
10. such other duties as may be requested by the Board.

The mission of the committee is to maintain the fiscal health of the Association while effectively and efficiently providing and managing fiscal resources for the maintenance and betterment of Wolf Laurel.

Legal Committee

The committee's duties shall be to serve as a point of contact and coordinator of legal matters. No committee member shall be asked to render a legal opinion or legal advice, nor substitute for North Carolina counsel. In fulfilling these duties the committee shall:

1. identify for the Board legal implications of the activities of the Association and the Board, including recommendations regarding when it is appropriate to retain legal counsel to assist the Board;
2. report to the Board monthly on current legal matters and their status;
3. work cooperatively with the treasurer, the Finance/Insurance Committee, the Architectural Review Committee, and the staff to monitor and advise the Board on the Association's collection procedures, and identify and recommend appropriate engagement of legal counsel regarding collection of accounts receivable;
4. draft or review the Board's correspondence that rises to legal concern, including waivers and accommodations requested by property owners or other official documents, including the involvement of legal counsel as appropriate;
5. recommend to the Association's secretary items that should be reflected in the official records of the Association to insure that an archive of important contracts, agreements and court orders affecting or binding the Association's operations or actions is maintained by the Association's secretary;

6. work cooperatively with the Finance/Insurance Committee to identify legal matters relating to insurance, including matters for which insurance carriers should be placed on notice or for which legal counsel should be engaged;
7. work cooperatively with other committees or the Board to review and recommend appropriate language and structure of Association policies and actions;
8. propose policies to the Board the committee believes to be in the best interest of the legal protection of the Association;
9. work cooperatively with the Finance/Insurance Committee on a budget supporting the committee's work, including anticipated fees to be paid to legal counsel;
10. with Board approval, identify and engage appropriate legal counsel and serve as liaison between the Board and such legal counsel;
11. respond to questions raised by property owner(s) within the Association, noting carefully whether such response has been approved by the Board, or requires Board action to bind the Association;
12. such other matters as the Board may request.

The mission of the committee is to endeavor to protect the Association from legal difficulties, and promote the activities of the Association through appropriate access to the legal system.

Long Range Planning/Governance Committee

The committee's duties concern the long-range planning of the Association and the optimal operation of the Board. In fulfilling these duties the committee shall:

1. identify, compile, study, maintain, and promote long range goals of the Association;
2. work with the other committees to formulate and coordinate short and mid-range plans to advance those goals;
3. work with office staff to maintain an up-to-date archive of Covenants and all other documents governing the community and/or actions of the Board;
4. annually assess and present long-range goals and short and mid-range plans to the Board;
5. periodically assess decision making processes to identify and recommend changes in procedures to improve the effectiveness and efficiency of the Board and its committees, including exit interviews with outgoing Board members and Association staff;
6. provide orientation of new members and appropriate periodic Board education to facilitate effective and efficient decision making;
7. such other matters as the Board may request.

The mission of the committee is to develop a vision and plan to maintain and enhance the quality of life at Wolf Laurel, and to maximize the effectiveness and efficiency of the Board in serving that mission.