



DRAFT

**Meeting Minutes
December 13, 2014
St. Leo's Catholic Church
2109 Sulpher Springs Road
Inwood WV 25428
Jefferson County**

Board Members: Neal Nilsen, Acting President, River View Park
Phyllis Smock, Secretary, Stonebridge
Nance Briscoe, Membership Chair, Cloverdale Heights
Richard Sussmann, By-Laws Chair, PMP

Other Attendees: Suzanne Malesic, Patrick Henry Estates; Barbara May, Apple Knolls; Cy Kammeier; Webber Springs; Trudy Slater, Gerrad Acres HOA; Terence McSweeney, Apple Knolls Homes; Jim Ruddy; Mountain View; Bob Stevenson; Glenwood Forest HOA

Note: This document is provided solely for informational purposes, and no one should rely on it as legal advice. You are strongly encouraged to consult a qualified attorney for advice on any particular situation.

Neal called the meeting to order at 9:07 A.M.

Approval of Minutes- Nance moved to accept the minutes from Nov. 19, 2014, meeting as written. Richard Sussmann seconded. Motion passed without objection.

Treasurer' Report – In absence of the treasurer, Elliot Simon, Neal read Elliot's report for the period of Nov. 20, 2014 through December 13, 2014: Opening balance of \$7,758.03, deposits of \$175.00 and dispersals of \$826.79 (which included reimbursement to RosaLee Riggins of \$51.25 for Education Workshop; Donation to the Bedington Ruritan of \$150; annual dues to Jefferson County Chamber of \$75; and \$550.54 to Aon Associates for D & O insurance). Closing balance is \$7,196.24. Copy of cash flow statement was placed into the record.

Payments have been received from River View Association, Roberta Elliot, and Noville Manor.

Membership Report- Nance Briscoe:

*Chris Bell requested an invoice be sent to him in order for him to pay new

membership fee and one-time application fee; Neal indicated this has been taken care of;

*Terence McSweeney, treasurer of Apple Knolls HOA which comprises 244 homes, has contacted Nance for information regarding HOA fiduciary responsibilities, annual assessments and governing documents; Apple Knolls is considering joining EPOHOA;

*John Swauger, Treasurer of Bentwood Estates increased number of completed homes to 130 using the membership update application on line;

*Rob Edwards, owner of Raven Seal Coating LLC, inquired about sponsorship opportunities in the EPOHOA;

*Debra Hovatter, Riverview Estates contacted Nance for information on contacting snow removal contractors for her HOA. EPOHOA has no lists of contractors at this time on a separate page on the website. EPOHOA might consider creating a list of contractors without endorsements next year.

*Nance reported newest members are: Briar Run Estates. which has 134 homes; Colonial Village. which has 50 homes; Cressen Run HOA which has 67 homes and Crystal Lake which now has 41 homes; Roberta Elliott joined as an individual member; Noville Manor with 15 homes; and Spring Mill Farm with 59 homes. Report was placed into the record.

Education Report—No report.

Bylaws Committee- Richard Sussmann reported committee is about half way through updating the bylaws and hopes to complete by January for a vote by the membership.

Legislative Review Committee—no report

Sponsorship Committee—no report

Neal outlined priorities for the EPOHOA for next year include, New Bylaws; Nominations for the Board; Elections; Sponsorships; Policies and Procedures; and Ethics.

UNFINISHED BUSINESS

Status of D & O Insurance—Final application and payment has been made effective Nov. Nov. 18, 2014. Nance requested the policy for D & O be uploaded to the EPOHOA Drop Box in the insurance folder.

Status of 501 (c) (3)—The IRS sent back 4 questions regarding application:

- (1) Number of volunteers versus paid employees (EPOHOA has no paid employees);
- (2) Need to complete section of operating expenses even though they are less than \$20,000;
- (3) Definition of UCIOA (Uniform Common Interest Ownership Act);
- (4) Definition of Legislative Activities.

Questions have all been answered and application returned to IRS. EPOHOA is waiting for approval.

Other organizations working on legislative activities in the State of West Virginia include the

WV Non-Profit Organization which interacts with HOAs and Community Association Institutes and Home Builders Association of West Virginia. Dan Ryan also holds mini workshops with homeowners.

NEW BUSINESS

Application to Orchard House:

Nance applied to Orchard House on behalf of EPOHOA to hold regular monthly meetings. The contract is a flat rate of \$100 per meeting for entire meeting date until 10 p.m. Trinity United Methodist Board of Trustee, Mr. Buddy Stevens, will send a letter concerning Orchard House verifying this contract. (Daily use must be ended by 5 PM and Evening use must be ended by 10 PM, however Mr. Stevens stated that the approved use would be all day ending at 10 PM.) Nance suggested creative use of this location might include a regular meeting followed by an Education Workshop, or social activities all on the same date. Location is centrally located between Jefferson and Berkeley Counties off Rt. 45.

EPOHOA has agreed to continue to hold 12 meetings in 2015 on third Wednesday of each month for eight months and Saturday morning meeting in four months.

Nance moved to approve the contract based on the meetings scheduled. Richard Sussmann seconded. Discussion included clarification that it is a \$1200 contract. Consensus was the proposal would save money for the Education Committee seeking locations for future workshops. Given additional amenities Board agreed that the cost is more but offers many opportunities for growth.

Motion amended to accept Orchard House contract of \$1200 on a one year basis. Richard Seconded. Motion passed without objection.

Marketing:

Discussion of re-printing “rack cards” (e.g. Calendar Cards) for marketing purposes. Nance will work on draft content and will send information to the Board for approval. Board will have opportunity to change or add information on rack cards. Upon approval Nance will get cards printed. In the past Nance gets 500 cards printed and only charges the EPOHOA for one-half the cost. They are distributed to Chamber of Commerce in eight counties, HOAs, public meetings, Legislators, and at EPOHOA meetings. Art work and layout is gratis by Nance. She also requested payment for printing up front. She requested EPOHOA obtain a credit card as discussed in previous years by the Board or get procedures in place for paying on line.

2015 Home Show: Nance moved for EPOHOA to participate in Home Show again this year. Richard seconded motion. Discussion: The table cost for non-members is \$375 for 3 days for early bird deadline paid by Dec. 31, 2014. The dates are March 13, 14 and 15, 2015. Additional expenses include a gift basket which is raffled, candy handouts, banner, marketing information, and advertising.

Phyllis moved to amend motion and approve participation in the Home Show with a budget not to exceed \$700 including the \$375 registration fee. Richard seconded the motion. Motion passed without objection.

Nance requested Treasurer, Elliot Simon, issue a check in the amount of \$375 to EPHBA Home Show, 430 Randolph Street, Suite C, Martinsburg WV 25401 before Dec. 31, 2014.

Outstanding invoices will be adjusted to full pricing on Jan. 1, 2015 at \$399.

2014 St. Leo's Donation:

Nance requested EPOHOA send donation of \$150 to St. Leo's. Neal will get correct address for St. Leo's and follow through with Elliot.

2014 Ruritan Donation:

The Ruritan lost the EPOHOA donation check and it was re-issued for \$150. Nance delivered it personally to the Ruritan.

MEMBERSHIP DISCUSSION

Neal and Richard led a discussion regarding Super Priority Liens. Neal's experience is based on his HOAs efforts to collect delinquent assessments when property transfers from one entity to another. When a bank told Neal they could not identify a loan without a complete 911 address, Neal sought an attorney's opinion. The attorney's opinion found that the owner of a lot transfer from one entity to another regardless of not being assigned a 911 address, still had the obligation of paying an annual assessment.

Richard helped to define the Super Lien Priority. He stated an HOA has to determine if they are a "Limited Expense Liability" community under **WV Code Chapter 36B-1-203** and this is found in the governing documents of the HOA. If the HOA is a pre-existing community (prior to 1986) the law is found in **Chapter 36B-1-204**. If the HOA is a pre-existing community, the HOA has the benefit of the six month super priority lien found in **Chapter 36B-3-116, subsection B, sub-subsection ii**. This allows the HOA to collect delinquent assessments from the lender for six months prior to transfer of property.

Super Priority Liens apply depending on whether or not the HOA is a Limited Expense Liability community or a pre-existing community. Richard suggested it is best to check with an attorney regarding the governing documents and steps for proceeding to collect delinquent accounts.

In summary Richard stressed there are two separate ways to collect assessments: one against the real estate and one against the personal owner. The debt can be collected depending on governing documents and by perfecting a lien against the property which increases priority over other debtors.

New Members: Terry McSweeney introduced himself from Apple Knolls and plans to join EPOHOA as an individual member. He will fill out the application online.

Jim Ruddy from Mountain View joined in September.

Bob Stevenson from Glenwood Forest HOA with 350 plus homes expressed interest in membership.

General discussion ensued about finding attorneys specializing in collecting HOA delinquent

accounts, collection agencies, property management companies, reserve studies, and formulas for increasing assessments.

Meeting adjourned at 11:14 a.m.

Minutes submitted by
Phyllis Smock, Secretary, EPOHOA

**Next Scheduled Meeting
January 21, 2015 7:00 p.m.
Orchard House
4599 Shepherdstown Road
Martinsburg WV 25405**