

# Foxwood Hills Property Owners Association

## Board Meeting Minutes

November 17, 2018

### Attendees:

Kristie Martin, GM

Board: Hans Gray, Mark Howard, Louise Moisan, Steve Moore, Beth Patterson, Kellye Rembert, Shellie Huth

1. Mark Howard called the meeting to order
  - a. All were asked to join in the Pledge of Allegiance
  - b. Mark reminded everyone of meeting decorum
2. Review and approval of October 20<sup>th</sup> meeting minutes tabled until December meeting
3. Review and approval of October Financials (Louise Moisan and Patrick Coates)
  - a. Comparisons from 2017-2018, annual revenue has dropped by 50% - 50% of membership not paying dues
  - b. Restaurant revenue has increased by 39%, but expenses increased by approx. \$11,000
  - c. The restaurant is approximately \$79,000 in the hole
  - d. G&A are about the same as last year, increases impacted by legal expenses (by approx. \$121,000)
  - e. Our operating costs have dropped by about \$20,000, but the impact of the legal fees indicates a large increase
  - f. Maintenance is slightly lower
  - g. There has been about a \$7000 savings with security
  - h. Pool expenses went up due to repairs to baby pool and pump issues
  - i. Patrick: 31% of dues being paid – so, for every 10 lots only 3 are paying dues; we are \$163,000 in the red; if we don't collect fees, we will be in the red at the end of March. We will still have our reserves, but he projected the we will be in excess of \$400,000 in the red assuming everything stays at it is now. On the revenue side, SCS has never budgeted for the special assessment, so the numbers indicated are approximately \$259,000 off. Reference page 4 account 4350. That number should look like a negative \$153,000. All of these are projected numbers. If people would pay their dues, these numbers would turn around significantly.
  - j. We have just initiated a collections process, but not with a collection agency. This may have changed when we changed management companies. Last month, we started exploring several initiatives to collect debts (internal process, credit reporting, and another process used by other HOAs that will not cost us anything – we just learned of this one). If we just collect what people owe this year as well as what is owed from last year, this would be significant.
  - k. Is the percentage of dues owed reported by section and available? We will attempt to get this information to members. This has historically been reported at all board meetings.
  - l. There are three major issues impacting revenue – not paying dues, lawsuit, restaurant (this has always been an issue)

- m. Greg Lohman – when we started reporting to the credit bureau (during his interim management) it made a huge difference.
  - n. Member (Walt) comment made regarding that special assessments are why people aren't paying their dues
  - o. Our dues are very low
4. Manager's Report
- a. Included in packet
  - b. Action Item list reviewed (included in packet)

Dan - Showing member ID cards, really necessary to have 10% discount? Condos not covered under membership card, so members do have an incentive by showing card.

Neva – are we reconsidering outsourcing? Mark will address a later time.

5. Committee Updates
- a. Nothing additional for Budget
  - b. Ginny – NHW – meeting notes and requests put out on NHW Facebook page. Members who do not have access to Facebook will receive same information in an eBlast. Two issues – flashing lights on security vehicles when patrolling. This was addressed. Still a request for sections to be identified regarding incidents. Sheriff Crenshaw stated that if a call comes into his office it becomes a matter of public record. FHW security does not report to Oconee County Sheriff. It is suggested that if there are problems in a particular neighborhood, please report it on NHW FB page. Crenshaw did state that they do have the right to patrol FWH, they do not need permission. He will send a representative to large NHW meeting. Stickers for windows regarding pets in homes. Kellye following-thru on this. They will be in the office once they are ordered. UPS/FedEx coming in too fast. Need to go directly to UPS/FedEx. More people need to get involved with NHW page, meetings, etc.... It would be great if a number of people could get CPR trained. Dan Strickland – he bought speed bumps. Are they allowed to install? There have been damages reported because of speed bumps. We have to weigh which is worse – speeders or damages? We will have a deeper discussion about this. Really need to discuss how high they are. Need to check with legal. Member comment: Is it counter-productive to have the blue lights on the security vehicles flashing? The lights do not “flash” they are the small lights on the end of the bar that just stay on. Member comment: Who is responsible for making it happen to notify incidents by section? We will put that on as an agenda item for executive session. We have established a better relationship with Oconee County. So, hopefully, we will be able to get this information. Our security needs to be reporting to Oconee so that it becomes a matter of public record. A non-emergency number will be posted for the County. Louise welcomes information for the webpage. A page for NHW can be created.
  - c. All is well with nominations.
  - d. We have openings for chairs Marketing and Communications. These are critical positions, so we hope folks will step forward.

Mark reviewed credit and collections initiatives. We are making calls before we get aggressive with collections. We are being cautious to go after everyone – using legal prowess. We are open to outsourcing the restaurant. We did have a proposal. We are fully aware that we must address the restaurant issue. If we don't do something, we could lose this service. We are in trouble with collecting



fees and dues, the restaurant and legal. We are in serious financial trouble. We have got to get people rallied around paying dues.

Focus group discussion. We got into a bad backlash with this. We scheduled two so that everyone could better understand what is happening. But we canceled them because people got mad that they weren't "invited." We were hoping to engage some neighborhood ambassadors. This was a primary purpose for this. We will reschedule these. We'd like to keep the groups between 8 and 10 people. (Gene commented: we need email to send suggestions. Louise conducted trainings to sign people up. Very few people participated. Mark gave out his email). Signup sheets are available in the office. Please fill them out clearly. We would like a good cross-section at these meetings. We will make these focus groups available for those that are not able to be present physically. Sign up concessions for those that are not physically here will be done via eBlast. Will be posted on the web page, also. Would like to have these done one week from today so we can schedule the meetings between now and next board meeting.

Member (Kevin?) comment – is there a legal method for collecting dues? It is extremely expensive, so that really isn't a good option for us.

Greg L – reserves show \$103,000. Is that actually money in the bank? Those are reserves contributions. Is that accounted for in the operating cash? It is in reserve accounts, not operating accounts. Under Financial Management Reserves section of report. These monies can only be used for what they are marked.

David – are we considering everything regarding the restaurant? Analyzing completely? Legally, financially, etc...We own the property, so have we totally weighed all liabilities? How are we going to maintain some control? We have taken many things into consideration already. We would have to cover insurance even if we lease it out. We are NOT giving the space away. We are weighing pros and cons. We are going to protect *all* of us. The focus groups are intended to disclose all of this. Webpage, eBlasts, etc. will be used for distributing this information. Surveys will be utilized to help with this, as well.

Comments regarding the restaurant as an amenity – does the pool make money? Do the tennis courts make money? We have to decide as a community how much we really want to subsidize it. We cannot continue to operate like it is just an amenity. It must bring in revenue. But, we must determine, as a community, what it means to this community. We have to decide how much we want to subsidize it. This restaurant has always lost money (unless it was public).

The door is still open for the "pitch" we received regarding the restaurant lease. It left questions that need to be answered. This person is aware. Bob K. noted that he spoke with them last night and he is under the impression that the matter is closed. Mark noted that the last communication he had with them indicated that they understand it is still open. Board is putting together an RFP for restaurant.

Leonard F. - What has caused the out of control expenses for the restaurant? Food costs, staff turnover, power outages, and possibly some unknowns.

Greg L – When we had the restaurant cards about ½ got used. We received about \$150,000 from those cards. If we had this kind of revenue, now, that would pull us out of much of this debt.

Neva - We need to pull in customers. We need to have some "carrots" to bring people in (music, etc...)

The restaurant as a cost center is not fully burdened (i.e. electricity) – Louise does have a tally of electricity use (for utility percentage) for the restaurant and lounge. That should, perhaps, show up in our expense report.

The focus groups will be a good place for these discussions to occur.

6. Advisory –

- a. Donna Brycki – are we getting rid of security? No, we are looking at every option regarding security (keep them on ourselves or outsource)
- b. Dan Strickland – Regarding meetings – what is minimum attendance for board members? We will clarify via eBlast. Our bylaws state that you can miss up to three consecutive meetings before being removed. We need to re-address this.
- c. Nancy Doyle – Signs announcing board meetings say “All POA members” welcome. Currently, it is policy that members “not in good standing” may not attend meetings. Needs to be clarified on signs.
- d. Walt Martindill – Kinston lot with old campers, tent and junk vehicles. The camper without a permit is being addressed. You can have a tent in Kinston. Individual in Kinston brags about not paying dues and has recently brought in a new camper – what are we doing about it? Kristie asked Walt to see her after the meeting.
- e. Neva Nolen – Let’s do something about those that brag about not paying their dues. Misuse of term “member” – Mark responded that we probably should have said “property owners.” How do you determine what caused road damage if you do not open it up? Sam did cut back further than he was required. Regardless, the entrance in Kinston needs to be repaired. Bath house – ceiling needs to be addressed. Contractor has been sent back there.
- f. Jim Sampson – M section has only been mowed once this year, 5 times in 3 years. Roads need to be addressed. He has approached several managers. Spoke with Kristie in July. Nothing has been done. Ditch line issues need to be addressed. Brandy setting up a meeting with Jim. Also, dogs are running loose. Why isn’t Oconee County not patrolling this area?
- g. Bob Kennedy – post minutes as soon as they are prepared. Will post prior to the meeting. If people would pay their dues, we would likely not have to have special assessments.

Steve moved to adjourn and move into executive session, Louise seconded. Motion carried.


Meeting adjourned 11:08 AM

Respectfully submitted by:



Kellye Rembert, POA Secretary

Approved by:



Mark Howard, POA President