

## **STEP Board Meeting**

**September 25, 2014**

### **Minutes**

The meeting was called to order at 3:57 pm.

In attendance were Directors Mr. Pruitt, Mr. Sadoian (on the phone), Mr. Weiss, and Mr. Williams. Absent was Mr. Caudill, Ms. Hill, and Mr. Tanner.

There were additions to the agenda: The minutes from the annual meeting.

There was a brief discussion regarding the Minutes from the Annual Meeting. Mr. Sadoian stated that he felt there should be some additional details added to the document. He also agreed to add this information and bring the document to the October meeting. Mr. Weiss tabled the vote to approve the minutes until the October meeting.

The next item on the agenda was the Minutes from the August 24<sup>th</sup> meeting. Mr. Williams had a question regarding who would pay for the next round of annual inspections and it was agreed that we would assess each member the \$75.00. Both Mr. Williams and Mr. Sadoian stated that we should only do this every other year. Mr. Sadoian stated that we should discuss this with DrainPro to see what they thought.

The minutes were unanimously approved.

The next item on the agenda was approval of the August financial Report. Mr. Weiss stated that he spoke to Mr. Caudill who stated that the report was in order. Mr. Weiss made a motion to accept, seconded by Mr. Williams and the report was unanimously approved.

The next item on the agenda was a discussion of average legal fees and average inspection/repair costs. Mr. Weiss stated that Scott Alexander stated that the average costs would be about \$3000. Mr. Weiss went on to state that he had Susan Anderson pull 50 members at random and the average cost for the inspection ran between \$125 and \$175. The average cost for repairs was \$750. Mr. Weiss stated that he has not received a copy of the letter sent to the non-compliant members. He went on to say that he sent Scott Alexander a mock up letter to the financial institutions who foreclosed on several of the homes regarding the inspection process. The letter stated that the Board wanted to go onto these properties to do the inspections.

The next item on the agenda was the discussion about the new rates and the fine schedule. Mr. Weiss stated that his recommendation still is that the Board should lower the bi-monthly rates from \$220 to \$180. There was a brief discussion about lowering the rates and since we can readjust the rates at any time, it was generally felt that we

were in a good position to lower the rates. Both Mr. Weiss and Mr. Williams agreed that the Association was in a good financial state and that we were taking in more revenue than we needed. Mr. Weiss made a motion that the rates should be adjusted to \$180 for the September 26<sup>th</sup> billing. Mr. Pruitt seconded the motion and it was unanimously approved. Mr. Weiss stated that he would contact Debbie Rench and provide her with the details.

The next item for discussion was the fine schedule developed by Mr. Pruitt. Mr. Weiss asked Mr. Pruitt if he really felt that a change from \$25 to 25 percent was appropriate. Mr. Pruitt stated that he felt that the \$25 did not mean anything to the members who are late. Mr. Williams stated that he was comfortable with the 25 percent. Mr. Weiss asked if the item was up for a vote. Mr. Pruitt stated that he prepared the document for discussion and that we needed more time for discussion.

The next item on the document was Failure to Comply with a Directive. Mr. Weiss stated that in all of the communications that the Board sent to members, it clearly stated that failure to comply could result in a fine of up to \$500. He went on to say that the HOA has no problem fining residents \$500 for each tree that is removed without HOA authority. There was a brief discussion between Mr. Pruitt and Mr. Sadoian over the issue of "per occurrence" and it was agreed that if they continued to be non-compliant, we could levy the same fine on top of the previous fine until the member met the requirements of the Board action.

The last item was a Critical Violation. It was agreed that this was an excellent addition and everyone was in support.

There was a brief discussion about the Appeal process and everyone was in agreement about the process subject to the opinion of legal counsel. Mr. Weiss stated that he would send a copy of the rate letter to Debbie Rench so that she could include it with the next bill.

Everyone signed off on the amendment to the by-laws except for Mr. Caudill and Mr. Sadoian who will see Susan Anderson to sign off.

The meeting was adjourned at 5:02pm.