

Longleaf Community Association, Inc.
Board of Directors Quarterly Meeting
December 5, 2017 7 pm Longleaf Post Office

Keith Pendergrass, LCA President, chaired the meeting. A quorum was present including board members: Ken Haas & Jim Morgan. Also in attendance were Terry Upton, Bob Mulder, John Christian, Glenda Darley, Jan Pylant, Judy Jenks, Linda Souhrada and Pamela Pendergrass.

The minutes of the September 5th quarterly meeting were approved as distributed.

Treasurer Ken Haas then opened the discussion of the 2018 budget. The single most important variance during 2017 was the savings of \$40,000 by using only a single application of longleaf pine straw while budgeting for two applications. He mentioned that the board feels that this savings should be returned to the homeowners in the form of a reduction of dues in 2018. Somewhat offsetting this reduction is the necessity to increase capital reserve contributions to cover the cost of road maintenance. The board has compared the 2009 reserve study to our actual financials in the intervening 8 years, considered the projected costs of road maintenance and decided that annual homeowner contributions should increase from the current \$175 to \$225. *The overriding consideration during these discussions was fairness to both current and future homeowners.* While increasing reserves in excess of projected needs might seem financially prudent, it is unfair to current homeowners. Likewise inadequate reserving penalizes future residents. And unfortunately, as our examination of the 2009 reserve study demonstrates, capital needs projections, even by experts, is an inexact science. The final result of these considerations, after an open discussion and a few modifications, including input from committee chairs Judy Jenks and Terry Upton, was a budget of \$281,813 (down from \$294,280 in 2017 and using the \$40,000 of 2017 savings to reduce the assessed expenses to \$241,813.) This means that each homeowners expenses for 2018 will be \$1889 *plus* \$225 for capital reserve (up from \$175) for a total of \$2114 (as opposed to \$2447 in 2017.) Treasurer Haas stressed that homeowners should remember that this budget contains a one time return of dollars collected for an application of pine straw which was not needed, that capital reserving is increasing and that in 2019 homeowner dues will almost certainly increase to nearer the level of 2017.

Chairman Terry Upton noted that the Infrastructure, Pool & Safety Committee was currently considering the best material for replenishing the surface of the pool play area. He noted that approximately \$3500 would be needed for this item.

Chairwoman Judy Jenks of the Landscape & Beautification Committee stated that cleaning up the woods below the pool was under consideration. The cost of a crew, including a bobcat, would be \$1500 per day. The consensus of those present was that this project should be presented at the annual meeting for comments from the entire association.

President Pendergrass then commented on our discussions with CROA (Callaway Residential Owners Association.) He felt that these have been constructive and productive. CROA has again assumed the active role of maintaining and enforcing architectural standards and codes. Longleaf has been asked to consider and recommend updates to both architectural codes and especially to landscaping requirements and suggestions. Examples of changes might be allowing screens on front windows and adding plants such as camellias and crepe myrtle to the

list of suggested plants for front yards. The Landscape & Beautification Committee is working on this project.

There being no more business to come before the Board, the meeting was adjourned at 8:15.

Respectfully submitted,

James Morgan, secretary

NOTE: See attached 2018 budget for details.

Approved

Date

Longleaf Community Association, Inc.
Board of Directors Quarterly Meeting
September 5, 2017 7 pm Longleaf Post Office

Keith Pendergrass, LCA President, chaired the meeting. A quorum was present including board members: Ken Haas, Tom McCann & Jim Morgan. Also in attendance were Peggy Elder, Terry Upton, Bob Mulder, John Christian, Glenda Darley, Jan Pylant, Judy Jenks, Gail Shoop and Pamela Pendergrass.

The minutes of the June 27th quarterly meeting were approved as distributed.

Treasurer Ken Haas discussed financials. He mentioned that we are continuing to run a surplus for the year. He further stated that if this trend continues and if the Association decides that no further pine straw is needed this year, we should be able to reduce Association dues for 2018.

Delinquent homeowners were discussed. Other than the 1 long term delinquency inherited from prior to our association's founding (and which is currently on a payment schedule) only 3 homeowners are delinquent, all by only 6 months and all are making payment efforts. The Board will continue to monitor this closely to prevent any significant accrual of debts.

Judy Jenks, chair of the Landscape & Beautification Committee, discussed several items. She stated that the longleaf pine straw application from February was holding up well and that the consensus of her committee is that no further application should be needed this year. She again thanked all those who participated in the Spring work day to spread chips on the paths and clean up the common area. She stated that her committee is currently working to update and revise the list of approved, suggested and prohibited plants for Longleaf. And finally she presented the committee's request for \$2700 to install irrigation in the entrance island. This will allow planting of shrubs (such as azalea, rhododendron or camellia) to further beautify the entrance. The Board voted unanimously to approve this expense.

Chairman Terry Upton reported for the Infrastructure, Pool and Safety Committee:

- The final cost of pool re-plastering, budgeted for \$20,000 was \$16,588
- The new pool service vendor has provided good service but had an administrative problem during the summer which has thankfully been solved by new office personnel
- Lightning striking an irrigation line recently ruptured a water line which caused some flooding near the pool. This has been repaired.
- Re-grouting of the pool rim was budgeted for \$1200 but further study suggests that a re-quote is needed and the cost will be higher. This work is best done in late Fall. The IPS committee will soon suggest whether to proceed this year or delay till Fall of 2018.
- The pool water cooler is presently working but may need replacement soon.
- A number of maintenance projects were listed involving minor repairs, painting & water sealing at the Post Office, at the pool & of the fire hydrants.
- Retention of the current janitorial service is recommended by the committee.
- Retention of the current pool service provider is recommended pending review of the price quote for 2018.
- Finally, a tear has been noted in the pool cover. Whether repair or replacement is needed is currently under study.

President Pendergrass stated that after many delays caused by our unusually wet summer our streets are currently receiving their yearly maintenance. At a cost of \$1950, Pro-Pave is sealing cracks, cutting roots growing under paving and striping the widened entrance pavement. He mentioned that this preventive maintenance should be repeated each Summer to prolong the life of our roads.

The plans of the Board regarding our capital reserve were discussed. The original analysis was done in 2009. Critical to our planning, in 2009 Longleaf assumed no financial responsibility for road maintenance. This one fact seems to necessitate higher reserving. A careful examination of the 2009 study, however, brings this need into question. Many, if not most of the items included as *capital items* in the 2009 study have been treated during the intervening 8 years as yearly maintenance *expenses*. Examples: repair/paint the pedestrian bridge, repair/paint the stop signs, repair/replace interior lighting fixtures, replace bathroom exhaust fan, etc., etc. The Board plans a work session in late October to examine the 2009 study line by line to determine what items should be (and have been historically) capitalized and which should be more properly expensed. The cost of road maintenance will then be figured into our reserve needs and a decision made as to whether the expense of a new reserve study is justified (at a cost in the neighborhood of \$2000.) If a new study is undertaken the Board will be better prepared to define and direct the study with our 8 years of historical data.

President Pendergrass then discussed the state of homeowner compliance. Under our founding documents and bylaws, all authority for design review (read structures) and community standards (read plants & yards) rests with CROA (Callaway Residential Owners Association.) The Longleaf Homeowners Association and its Board have no legal authority in this area. Currently one homeowner is not in compliance with design review, has been notified of the fact and has made no attempt to correct the noncompliance. The Board has requested that CROA take action to assure compliance. In addition, the Board is currently negotiating with CROA to assume the legal authority and responsibility for community standards (yards.) The Board feels that the Longleaf Homeowners Association, working through its Landscape & Beautification Committee and its Board, is best prepared to define, implement and enforce landscaping standards. CROA, especially with its inclusion of architectural expertise, is much better placed to continue its role in design review. Hopefully these discussions will bear fruit this Fall.

A final note mentioned the importance of instructing Outdoor Detail to continue to prune along the right away of all roads & alleys to maintain a clear line of sight to signs and cross roads for safety.

There being no more business to come before the Board, the meeting was adjourned at 8:05.

Respectfully submitted,

James Morgan, secretary

Approved

Date

Longleaf Community Association, Inc.
Board of Directors Informal Gathering
August 13, 2017

Sunday night the Longleaf Board gathered to prepare for our association's next quarterly meeting. The meeting has been set for Tuesday night, September 5th at 7:00 PM. Several items were discussed for inclusion at this upcoming meeting.

Most important is the ongoing discussion between CROA and the Longleaf Board to determine the duties of the 2 entities as regards maintaining community standards for architecture and landscaping. Currently CROA has legal power and responsibility for both. The agreement being crafted will maintain CROA as the responsible authority for architectural standards but cede authority to the Longleaf Community Association as to determining and maintaining landscaping standards.

The issue of pine straw was discussed with the consensus that the longleaf pine straw seems to be lasting well and that if it maintains an acceptable appearance as Fall approaches spending \$35,000 to put out fresh pine straw to be immediately covered by leaves makes little sense. We will continue to monitor this issue.

Spending \$2700 to add irrigation to the entrance island was discussed favorably. Establishing irrigation this year will allow for new plantings in the Winter and Spring to further improve the appearance of the entrance.

A possible benefit of the loss of our construction entrance is that a hidden and gated area has been created which can potentially be used by Longleaf residents for parking trailers, boats or RVs.

The previously approved of the creation of a second banking account has been implemented. This \$240,000 essentially represents our current reserves.

These notes taken by James Morgan, secretary, for distribution to the Longleaf Community.

Longleaf Community Association, Inc.
Board of Directors Quarterly Meeting
June 27, 2017 7:00 pm Longleaf Post Office

Keith Pendergrass, LCA President, chaired the meeting. A quorum was present including board members: Ken Haas, Tom McCann & Jim Morgan. Also in attendance were Peggy Elder, Bill & Louise Smith, Terry Upton, Bob Mulder, Dan & Pam Kopec, Roger Patterson and Pamela Pendergrass.

The minutes of the March 4th quarterly meeting were approved.

Treasurer Ken Haas discussed financials from the first 5 months of 2017. He pointed out that expenses are currently about \$12,000.00 below budget for the year, primarily because fewer trees have required removal this year compared to 2016. (Less pine beetle disease.) He also explained that since we are now a homeowners association, if we are fortunate enough to have a significant budget surplus at the end of the year, the surplus will help to reduce our dues for next year. (Prior to becoming an HOA any surplus reverted to the founder - Callaway-Cousins.)

President Pendergrass commented that our use of longleaf pine straw this year seems to be performing well. If its appearance remains reasonably good in October, when leaves begin to fall, we might consider forgoing a Fall application and waiting till next February to reapply a heavy coat of longleaf straw. This, of course, would save our association considerable expense.

He further noted that the board plans to open an account with a second bank since we now have \$300,000.00 in deposit between our reserve and operating accounts. As a 501(c)(3) corporation our total insurance protection is \$250,000 in any one bank. We will consider CD's with the second bank to gain more interest on our reserve funds.

The board voted to approve striping the new pavement at our post office exit. The pavement was designed to widen the turning exit for trailed vehicles since we lost our builder's entrance. Unfortunately some cars have continued to run into the border rocks (placed to prevent damage to sprinklers and plants) when they exit on the new pavement. Hopefully the striping will remind drivers to use the "old" pavement and allow the "new" pavement to function as a runway for trailing loads. The cost of striping will be \$500, the minimum expense when using professional road striping equipment.

Bob Mulder suggested and the board agreed that while we have the services of professional road stripers, we stripe a path across Maple Trace at the entrance of the path from Longleaf to the Lodge. This might reduce the tendency to speed along that long, straight run of road.

President Pendergrass announced that Callaway plans to begin selling undeveloped lots. Since the dissolution of Cousins-Callaway, Callaway no longer has any financial interest in home building and is best served by selling lots as quickly as possible. The sale of 273 White Oak is currently pending. The purchaser plans to build and retire here in approximately 3 to 5 years. The duty of our association is legally defined. Upon completion of the sale we will bill the purchaser for association dues and upon payment of the dues the purchaser will have the same rights, privileges and restrictions in our association as all owners, including amenity use and voting rights.

The board is still considering a new study of our capital reserve requirements. The previous study was performed when our reserve was much smaller and before we assumed responsibility for the roads. In examining the old study we found that it capitalized many small expenses which we have treated as operating expenses. And of course our largest potential expense, the roads, was not included. The board plans a working session to more clearly define what we consider capital items before we revisit the expense of a new professional study of our reserve fund needs.

Ken Haas suggested that we consider adding options for resident homeowners in our landscaping contract as a way to reduce this considerable expense. A general discussion followed with no proposal or consensus developing.

Peggy Elder mentioned that some ex-Longleaf residents and their friends have been noticed using the pool. She suggested that the lock code be changed. When Terry Upton noted that changing the code on all 3 gate cost roughly \$300, the issue was left to the discretion of the board and the pool committee with the thought that contacting the ex-resident and discussing the problem might be as effective and certainly less expensive.

There being no more business to come before the Board, the meeting was adjourned.

Respectfully submitted,

James Morgan, secretary

Longleaf Community Association, Inc.
Board of Directors Meeting
March 4, 2017 2:00 pm Callaway Lodge

The 1st quarterly meeting of the LCA board was called to order by president Keith Pendergrass. Also present were Ken Haas, Tom McCann and Jim Morgan.

The first action was election of officers. General discussion suggested that the current offices be retained. President Pendergrass, vice-president McCann, treasurer Haas and secretary Morgan were all reelected.

A discussion followed regarding improved communication from the Longleaf board to the Longleaf community. The board resolved to use e-mail to communicate the approved minutes of all meetings, monthly financials, notice of all board official actions and information regarding other issues of consideration by the board to Longleaf residents.

There being no more business to come before the Board, the meeting was adjourned at 2:15.

Respectfully submitted,

James Morgan

Approved via e-mail

Date 3/6/17

Longleaf Community Association, Inc.

Annual Meeting

March 4, 2017

1:00 pm

Callaway Lodge

The 2nd annual meeting of the LCA was called to order by president Keith Pendergrass. He announced that a quorum was present and thanked all those present for their attendance. He introduced the other 3 board members: Tom McCann, vice-president; Ken Haas, treasurer; Jim Morgan, secretary. Keith thanked all our committee chairs and committee members for their time and effort during the past year.

He called on Dwight Johnson to discuss the Longleaf Facebook page. Dwight encouraged all residents to join and use the page, stressing that it is a private, secure and simple method of sharing any information of interest or concern to Longleaf residents.

Judy Jenks, chair of the Landscape & Beautification Committee then gave a thorough report of her committee's work during the year including changing the irrigation covenant, removing an unanticipated number of dead or obtrusive trees and deciding to retain Outdoor Detail as our landscaping service. She thanked Jim Halling for his work over several years to rationalize our pine straw application and noted that George Comer has now assumed this task. She also mentioned that there will be a workday in the common area for all willing residents on April 8.

Terry Upton, chair of the Infrastructure, Pool & Safety Committee then reported. He stated that the 2 major projects of the committee in 2016 were the repair of a wash near the pool and the repair of the post office back porch. In 2017 the only item of note will be a capital expense of around \$16,000 for replastering the pool.

A general discussion interposed regarding the AT&T work in our community. While official information is sketchy, Keith has been informed that it should hopefully be completed around the end of April.

Lynn Shaver, in charge of official Longleaf e-mail distribution, was thanked for her work but had no report.

Barbara Krywicki presented her offer to manage a social e-mail list for Longleaf residents. She will distribute through Lynn Shaver the offer to join this distribution list. Lynn will continue to distribute Longleaf board & committee information. Other information of interest to Longleaf, *excluding complaints & politics*, will be welcomed on Barbara's social e-mail list.

Ken Haas, the association treasurer, then presented the Longleaf financials. He explained the changes he has made to make the monthly reports more rational by assigning budgeted credits or debits to the month in which they are actually expected to appear. In the past, monthly credits or debits were simply 1/12 of the yearly total. He and president Pendergrass then explained that about \$10,000 of capital reserve would soon be expended to widen the turning radii of the entrance and exit at the post office. This action was necessitated by the recent closure of the construction gate. While a gate will be opened by Callaway for use when new home construction occurs, the widening is needed to accommodate any large trucks, including moving vans.

While discussing capital expenditures several homeowners suggested that the board might do a better job in using e-mail to keep residents informed of actions, discussions and ongoing issues. Keith noted these suggestions and agreed to improve communications.

The final action of the meeting was the election of 2 board members. There being no nominations by mail or from the floor other than Tom McCann & Jim Morgan (the 2 board members elected to 1 year terms last year,) they were reelected by unanimous voice vote.

There being no further business, the meeting was adjourned.

Respectfully submitted,

James Morgan, secretary

Approved

via e-mail

Date 3/6/17