

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
LONGLeAF COMMUNITY ASSOCIATION, INC.**

A regular meeting of the Board of Directors of Longleaf Community Association, Inc., was held in Room #110 at the Mountain Creek Inn Conference Center, Pine Mountain, Georgia, on December 7, 2024, at 9:00 a.m.

Present were directors Carol Luthman and John Snelling. Directors David Adams and Michael Hartenstine joined the meeting by speaker phone. Also present were the Association members listed on Attachment A to these minutes. Director Sonny Horton was absent. Ms. Luthman acted as chairperson of the meeting.

1. Welcome and Greetings

Ms. Luthman welcomed all those present and identified the following new Longleaf residents: Cheryl and Robert Moultrie and Stephanie and Andy Redmond.

2. Approval of Minutes

Upon motion duly made and seconded, the board unanimously approved the minutes of the September 7, 2024, regular meeting of the board.

3. Financial Matters

- 3.1. *Budget and Expenses Update.* Mr. Snelling reviewed the Association's financial condition. Association expenses are below budget.
- 3.2. *Fidelity Account.* Most of the reserve funds are invested in U.S. Treasury Bills. The remaining funds are invested in the Fidelity Government Money Market Fund (SPAXX), which has a current 7-day yield of 4.26%. The plan is to maintain approximately \$50,000 in SPAXX.
- 3.3. *2025 Budget.* Mr. Snelling introduced a proposed budget of estimated Common Expenses for 2025 comprised of an operating budget captioned "2025 P & L Budget Final" and a reserve budget captioned "2025 Reserve Budget." Mr. Snelling commented on salient aspects of the proposed budget.

After discussion and upon motions duly made and seconded, the board by unanimous vote adopted the following resolutions:

Resolved that the 2025 operating and reserve budgets presented to the meeting (a copy of such budgets being attached to these minutes as Attachment B) are adopted.

Further resolved that the Annual Assessment for 2025 is \$2,550, \$278 of which consists of a contribution to the Association's reserve funds.

Further resolved that the Annual Assessment for 2025 is levied against each of the Longleaf Units.

4. IPS Committee

Terry Upton, chair of the Infrastructure, Pool, and Safety Committee, discussed the pool deck and pool bridge repairs planned for 2025. He then reported on committee activities since the September board meeting. His report is attached to these minutes as Attachment C.

5. Landscape Committee

Judy Jenks, chair of the Landscape Committee, reported on committee activities since the September board meeting. Her report is attached to these minutes as Attachment D.

6. Social Committee

Tracy Lips delivered the report of the Social Committee. She commented on the success of the annual tailgate party in October and the lighting of the Christmas tree in November. She thanked members of the committee for their efforts with these events. She noted the last social committee function for 2024 is the ladies brunch on December 16.

7. New Website

Dean Boyer presented the new Longleaf website at longleaf.us. The website is still under construction. A section of the website will be accessible only to Association members. To access the members section, members need to create a username and password via the instructions on the website. The website includes expanded resources and information relevant to the members. Following a question from a homeowner regarding use of her email address as a username, Mr. Boyer indicated the program as currently written did not permit it; however, he would modify the program to allow it and would notify the board when he has completed the change.

8. Tree Rule

Ms. Luthman explained the steps the board had taken in creating the proposed Rule Governing Tree Removal/Replacement attached to these minutes as Attachment E. Ms. Luthman opened the floor to comments from the members concerning the proposed Rule.

- Martha-Sue Blythe opined the Rule should require a minimum setback from the street for the planting of replacement trees. Ms. Luthman replied the board intended to address this issue in the application form, but would consider incorporating it into the rule.
- Leslie Hudson asked why applications were to be filed with the board before referral to the Landscape Committee and why the Rule did not prohibit removal of Longleaf pines. Mr. Snelling responded that applications should be filed with the board initially to ensure applications were complete and to establish the timeline for responding to completed applications.
- Larry Crane expressed concern over the board's authority to adopt the Rule and appreciation for Mr. Hartenstine's response to his concerns prior to the

- meeting.
- Gail Shoop commented on the flexible elements of the Rule with respect to a tree replacement plan.
 - Bill Lipe questioned if the Rule required more than one replacement tree for each removed tree. Mr. Snelling responded the Rule did not require more than one replacement tree for each removed tree.
 - Ben Land questioned whether the Rule contained sufficient standards for board evaluation of applications to withstand a challenge of arbitrariness.

9. Elections

Ms. Luthman announced that, with the terms of Mr. Snelling and Mr. Hartenstine ending, there would be two vacancies on the board to be filled at the March 2025 annual meeting of Association members.

10. Comments

There were no member comments.

11. Legal Opinion

The directors discussed the advisability of procuring an opinion of the Association's counsel, Nowack Howard, regarding the legal issue raised by Judge Land. After discussion and upon motion duly made and seconded, the board by unanimous vote adopted the following resolution:

Resolved that the board will request the opinion of the Association's legal counsel as to whether the proposed Rule Governing Tree Removal/Replacement establishes sufficient standards for board evaluation of applications to withstand a challenge of arbitrariness.

12. Recess

The directors then discussed postponing action on the proposed Rule Governing Tree Removal/Replacement until after the board receives the legal opinion, which the board anticipated having within a month. For this purpose, Mr. Hartenstine recommended recessing the meeting until a date in January. After discussion and upon motion duly made and seconded, the board by unanimous vote adopted the following resolution:

Resolved that this meeting of the board is recessed until 10:00 a.m. on January 11, 2025, at which time this meeting will resume at a location subsequently to be announced by the president.

The meeting was then recessed at 11:20 a.m.

The meeting resumed at 10:00 a.m. on January 11, 2025, in Longleaf Conference Rooms A and B in the Southern Pines Conference Center at the Lodge & Spa. Present were directors David Adams, Carol Luthman, and Sonny Horton. Directors John Snelling and Michael Hartenstine joined the meeting by speaker phone. Also present were the

Association members listed on Attachment F to these minutes.

13. Report on Legal Opinion

Mr. Adams asked Mr. Hartenstine to report on the opinion of the Association's legal counsel regarding the proposed Rule Governing Tree Removal/Replacement.

Mr. Hartenstine stated that on December 12, 2024, the Association requested the opinion of NowackHoward, the Association's counsel, on whether Georgia law would support enforcement of the proposed Rule Governing Tree Removal/Replacement as currently drafted. On January 3, 2025, NowackHoward rendered its opinion to the board that the substance of the proposed Rule was enforceable.

However, NowackHoward initially was of the view the proposed Rule "would give the Longleaf Board jurisdiction over architectural matters," which conflicts with section 4.5 of the Longleaf declaration. Section 4.5 reads as follows:

Design review and approval for Longleaf and the Longleaf Units shall be governed by and in accordance with the terms of the Charter. Unless and until such time as the "Reviewer" under the Charter delegates all or a portion of its reserved rights to the Longleaf Association, the Longleaf Association shall have no jurisdiction over architectural matters.

NowackHoward recommended the board pursue a delegation of authority by the Reviewer to authorize adoption of the proposed Rule.

On January 8, NowackHoward supplemented its opinion:

Section 4.5 of the Longleaf Declaration . . . states that design review and approval in Longleaf shall be governed by and in accordance with the terms of the Charter. Section 5.1 of the Charter lists the matters over which the Reviewer has control, which includes landscaping. Notwithstanding that, Section 4.5 [of] the Longleaf [Declaration] singles out architectural matters as the only matter from Section 5.1 over which Longleaf Association has no jurisdiction. Under judicial consideration/interpretation of a written document, courts will generally enforce a provision as it is written, regardless of whether that was the intent of the drafter of the document. In this matter, based on Section 5.1 of the Charter, I do not believe the drafter meant to exclude landscaping, for which there are Design Guidelines, from the jurisdiction of the Reviewer until that authority is delegated to the Longleaf Association. Nevertheless, that is what is written.

Accordingly, it is our opinion that the strict construction of Section 4.5 vests in the Longleaf Board the jurisdiction for landscaping. I cannot guarantee that a court would agree should the Tree Rule be adopted and it is challenged by a Longleaf Lot Owner or by the Community Association/Reviewer. If the Tree Rule is adopted, I strongly encourage the Board to follow through to have the jurisdiction over landscaping delegated to the Longleaf Association.

14. Deferment of Tree Rule

The board then discussed whether to proceed with adoption of the proposed Rule Governing Tree Removal/Replacement.

Mr. Adams said he preferred deferring adoption of the Rule until the Reviewer had delegated authority to the Association. Ms. Luthman agreed. Mr. Hartenstine recommended the Association engage NowackHoward to prepare the documentation necessary to delegate authority for adoption of the proposed Rule. Following discussion and upon motion duly made and seconded, the board by unanimous vote adopted the following resolution:

Resolved that the board will engage the Association's legal counsel to prepare the documentation needed to delegate authority for adoption of the proposed Rule Governing Tree Removal/Replacement.

15. Late Charges

Mr. Hartenstine called attention to section 8.7(d)(i) of the Longleaf declaration, which allows the imposition of a late charge for assessments not paid in full within 15 days of the due date, or such later date as may be provided by the board. Although the Association has consistently imposed a late charge for delinquent assessments, the board has not previously adopted a resolution to this effect. Mr. Hartenstine pointed out that the Georgia Property Owners' Association Act permits a late charge of 10 percent of the amount of each assessment or installment thereof not paid when due and that the board is authorized by the declaration to impose a late charge in this amount. After discussion and upon motion duly made and seconded, the board by unanimous vote adopted the following resolutions:

Resolved that a late charge will be imposed on assessments, or any installment thereof, not paid in full within 15 days of the due date, or such later date as may be provided by the board, in an amount equal to 10 percent of the amount of the assessment or installment.

Further resolved that all late charges previously imposed on delinquent assessments are ratified.

16. Election of Directors at Annual Meeting

Ms. Luthman stated the members will be electing two new directors at the March 2, 2025, annual meeting of members. Mr. Snelling and Mr. Hartenstine are not standing for re-election. Ms. Luthman encouraged the members to consider nominating candidates with qualities that will enhance the function of the board. She noted a request for director nominations was being sent to the members by email.

17. Website

Mr. Adams encouraged members to access the Association's new website and recognized Mr. Boyer for his work in developing the website. Mr. Boyer renewed his concerns

about security risks involved in members using personal emails as their User ID. Therefore, he did not plan to allow members to use an email address as a User ID. Mr. Boyer said he would work with the board to communicate to the owners how to register for access to the website.

18. Adjournment

There being no further business, the meeting was adjourned at 11:03 a.m.

Michael Hartenstine
Secretary