

Summerfield Neighborhood Association

P.O Box 411

Medina, TN 38355

www.summerfieldmedina.com

Notes from General Meeting

June 30, 2011 7:00 pm

At Medina Community Park Pavilion

7:10 pm Call to Order

Reading of minutes by Donna LeBlanc & Shawn Graham.

Minutes approved by; Clarkie Graham, 2nd by David Walker. The vote to approve minutes as read was unanimous. See website for complete minutes.

Notice of June 30th meeting was delivered either in person or by email. Betty Wallace notarized proof of notice.

Roll call of those present waived.

Old Business

- Eric Egbert visited with Gibson County Assessor of Property Mr. Gary Paschall regarding any property tax liability issues for the common areas. Plat number does not delineate the common areas. Mr. Paschall explained and concluded there is no property tax liability for SNA, but it is unclear if any tax liability exists, who would be liable. He indicated that either the builder (Clark Family Homes) or the City of Medina may be responsible if there are any property taxes due.
- Burt Gillmann talked with Tami Reid of Hickman Realty to facilitate collection of dues from new homeowners. Although Burt was unable to attend this meeting, he reported to the BOD that after discussion with Tami Reid and Janet of Clark Family Homes (CFH) there are no new homes in SNA that are not accounted for. Basically, of the 4 homes in question and after reviewing CFH records of income and expense it was determined that there are no dues owed to SNA, nor are there any expenses owed to CFH. New homeowners will be given the *SNA Info Form*, which is also available on the website under the BOD heading.
- Move to close old business by Clarkie Graham, 2nd by David Walker.

New Business

- Obtaining lawn maintenance quotes for the common areas is proving to be quite a challenge. At this time there were no formal written quotes, however the BOD has contacted several companies in Jackson and Humboldt. USA Lawns wanted to charge SNA for a written quote which was unacceptable, however they did verbally state that the initial, first time mowing would cost about \$2,000 and then \$1,000 per each time mowing. This estimate did not include maintenance of the Summerfield sign located on the corner of Middle School Street and Summerfield. The BOD found this price unreasonable and USA Lawns services were rejected. One of the companies in Humboldt did not have liability insurance and then retracted their bid

after it rained. The other company in Humboldt indicated they would charge \$1,000 for the initial mowing and then \$800 per month.

- Now, the estimated budget allows \$500 per month, for 3 months, for common area maintenance. SNA cannot afford to hire professional lawn care service. Given the budgetary restrictions, it was suggested that SNA consider allowing Summerfield residents to maintain the common areas. Several of our neighbors have expressed an interest in mowing the areas for a fee.
- A motion to consider allowing neighbors to maintain the common areas was proposed by Clarkie Graham and 2nd by Betty Wallace. All present voted in favor of the motion.
- The Summerfield sign located at Middle School Street & Summerfield also requires consideration. Eric is discussing with the homeowners the possibility of a quitclaim deed for the area containing the sign and perhaps volunteers from the neighborhood can work to maintain the sign by clearing weeds, putting down mulch and planting flowers. Very limited funds may be used for the purchase of mulch and flowers. It was suggested that SNA allow \$100 for mulch and flowers, the discussion was tabled, the BOD will discuss further at their next meeting.
- Eric is also talking with a neighbor on Summit Drive about clearing the trees from the retention pond.
- Hiring uninsured people to mow and maintain the common areas will increase the cost of SNA liability insurance by approximately \$600 per year. Shawn's' research indicated that hiring people to mow may also require SNA to prepare Workers' Comp IRS Schedule H, because the people would be considered employees of SNA. Eric has heard from insurance agents indicating that a certificate of insurance may be an alternative.
- A motion was made by Clarkie to allow the BOD to decide on insurance, 2nd by Donna. All present voted in favor of the motion.

Election of additional BOD member & Finance Committee members

- David Walker was nominated to join the BOD by Shawn, 2nd by Clarkie. All present voted in favor.
- Finance Committee nominees were
 - Clarkie Graham nominated by David Walker, 2nd by Chris Asher
 - Betty Wallace nominated by David Walker, 2nd by Chris Asher
 - Chris Asher nominated by Shawn Graham, 2nd by Clarkie Graham.
- All present voted in favor of the nominees with none opposed.

The BOD would like to thank these homeowners for volunteering their time to help our neighborhood and appreciate their willingness to serve. In addition, a special thank you to Betty Wallace for volunteering her services as a notary public.

Beautification Days

- Beginning Saturday July 9 and each Saturday of July, we invite all homeowners to participate in our Work Day Beautification. Bring your weed eater and meet with your neighbors at 9:00 am by the retention pond at the west end of Summit Drive. We will be working on maintaining the common areas concentrating our efforts first on the pond.

Financial Report

The following tables show all SNA incomes (credits) and expenses (debits) thru June 30, 2011.

Income (credits) for 57 lots billed for 2011 SNA dues of \$100 per lot

33 lots paid @ \$100 each	\$3,300.00
2 lots included a donation to SNA	\$ 13.00
1 lot from Summerfield Phase One	\$ 100.00
TOTAL INCOME TO DATE	\$3,413.00

24 lots have been billed twice, but have not paid their dues to SNA. 4 of these lots will not pay dues, as explained on page 1. SNA currently has 20 lots that have not paid their association dues.

Expenses (debits)

5/10/2011 Reimburse Shawn for invoice billing copies	\$ 9.88
5/12/2011 Fee for incorporation	\$ 100.00
5/16/2011 Reimburse Shawn for postage stamps for 1st invoice mailing	\$ 23.88
6/02/2011 Reimburse Eric for office supplies	\$ 43.66
6/02/2011 Register of Deeds	\$ 7.00
6/11/2011 Reimburse Shawn for printer ink	\$ 35.11
TOTAL EXPENSES TO DATE	\$ 219.53

SNA Balance as of June 30, 2011 is \$ 3,193.47

- SNA funds are held at Regions Bank. All disbursements from this checking account require two signatures. The authorized signers are Shawn Graham and Chris Asher.
- A motion to order generic, carbon copy checks for a fee of about \$35.00 for 150 checks was tabled. BOD will discuss at their board meeting.
- Since some homeowners have not paid their annual dues, the BOD is considering implementing a method to assess fees because of nonpayment. While researching Homeowner's Association Fee Schedules, members found a site presented by Autumn Meadows HOA that was used as an outline for discussion. Basically the plan requires that
 - 1. The Association sends notification of dues payable to HOA.
 - 2. The Association sends a 2nd request for amount past due.
 - 3. If payment has not been received within the allotted time, then a late fee penalty will begin to accrue against the homeowner. The model used for discussion penalized delinquent homeowners at the rate of \$10 per day for the first 29 days that the payment is delinquent, then \$20 per day on amounts past due 30 days or more. Those who attended at the meeting felt this penalty fee structure was a bit too much. We all realize that these are difficult times and the economic situation is challenging for many Americans.
 - 4. It was suggested that SNA consider a weekly accrual method for past due fees, perhaps \$20 per week. It is within the power of SNA to place a lien against the properties of homeowners that have not paid their dues. The BOD will continue to investigate a late payment fee as allowed by the covenants and bylaws of Summerfield II
- It is imperative that all homeowners pay their annual dues. As you will see in the 2011 Tentative Budget, these annual dues are required to carry out the necessary business of Summerfield Neighborhood Association.

2011 Tentative Budget

Category	Annual Budget Amount	Actual Amount (as per June 30, 2011)
Income from dues/donations	\$ 5,300	\$ 3,413
Estimated Expenses		
SNA Liability & Directors/Officers Insurance	\$1,700	
Sign maintenance	\$ 100	
Common areas maintenance for 3 months (July, Aug. & Sept.)	\$ 1,500	
General Fund (Expenses YTD)	\$ 500	\$ 219.53
Emergency Fund (Insurance deductible) ¹	\$1,000	
Total Estimated Income	\$5,300	
Total Estimated Expenses	\$4,800	
Estimated surplus or deficit	\$ 500 surplus	\$3,193.47 surplus ²

At a glance, the Tentative Budget looks promising, however SNA has incurred minimal actual expense and the actual income is far below the budget amount. When the expenses move from budget column to actual column, the result is a Deficit of \$ 1,386.

The BOD will again notify homeowners that have a past due amounts owed to SNA. Please pay you bill.

At 8:30 pm, the motion to adjourn was put forth by David and 2nd by Eric.

Written by Donna LeBlanc

¹ SNA does not anticipate annual insurance claims that would require payment of the \$1,000 deductible, however it would be financially prudent to hold this amount in reserve, should the expense arise.

² Based on the estimated expenses, when SNA actually spends funds for the Association, the Actual balance of \$3,413 less estimated expenses of \$4,800 results in a deficit of \$1,386