

**HARBISON COMMUNITY ASSOCIATION
MINUTES TO THE MEETING OF THE BOARD OF DIRECTORS
November 26, 2019**

The Harbison Community Association Board of Directors held a Regular Meeting on Tuesday, November 26, 2019. Board Members present were Mrs. June Cannon (Vice President / Secretary), Mr. Ozzie Nagler, Mr. Terry Helsley, Mr. Stan Seabrook, Mr. Tom Brower, Mrs. Mackenzie Fontaine. Absent, Mr. Hank West (President), Ms. Julie Lucas. Association Staff Members in attendance were Mr. Dave Grove, Mr. Ray Cloutier, Mrs. Danell Gunter, Ms. Betty Brooks, Mr. Kaden Watson, Ms. Yolanda Vinson. Members / Residents Ralph and Stephanie Bell, Andy Kuslak, Don Harrison, Carolyn Turner and Constance Yearling attended.

A quorum being present for the meeting, Mrs. Cannon called the meeting to order at 6:06pm.

Executive Director Dave Grove stated that Board Member Jaime Sellers had resigned (moved out of the area) and in accordance with Section 4.05 of the HCA Bylaws the Board Member representing the same class ("B" – Business) was authorized to appoint a replacement – to fill out the departing Member's term. The remaining "B" representative, Ms. Mackenzie Fontaine, had selected Tia Schafer – General Manager of the Columbia – Harbison Hampton Inn. Ms. Schafer was attending a conference in North Carolina today and was not able to attend tonight's meeting but had previously indicated that if appointed – she would gladly serve on the HCA Board. All Board Members present concurred and expressed pleasure that Ms. Schafer would serve.

Approval of Minutes - Board Meeting – October 29, 2019

Following discussion, Mr. Nagler moved the Minutes be approved, Mr. Brower seconded and the Motion was passed with a vote of 5 for, 0 against, 3 absent at time of vote (Mr. Seabrook, Mr. West, Ms. Lucas).

Member Input

A resident said that while walking around the Woodcross Lake – an individual questioned why leaves were being blown into the Lake from the concrete pathways – instead of being blown into the adjacent woods. Dave Grove and Kaden Watson mentioned that HCA employees and contractors use blowers with directional funnels that blow leaves in various directions. It was not our intent to blow them into the Lake but employees and contractors will be informed of the concern.

Another resident mentioned the poor appearance of a house in his neighborhood that was "For Sale" – that it appeared that the Owner or Realtor was neglecting during the process of disposing of the property. Ray Cloutier mentioned that he was aware of the deteriorating condition and that he had been in contact with the owner.

A resident who walks the trails – mentioned the frequency of trail lights being "out" and questioned the process of how they are repaired. Ray Cloutier mentioned that HCA has an agreement with SCE&G (now Dominion Energy) to repair the lights within a few days after they are reported. Discussion centered around the best method of reporting the lights to Dominion Energy and Ray indicated – that our processes would be clarified and published on the web site, Newsletter and at the Front Desk. Dave Grove indicated that in 2020 HCA would be marking the trails so that anyone walking the trails would be able to report their location by a trail marker – in the event they saw a light "out" – a dead tree or any incident in which they wanted to submit a report.

A resident complained about the lengthy amount of time that had been given to an owner of an adjacent property to fix his roof. The owner had covered a roof leak with a blue tarp. Ray Cloutier

mentioned that he was aware of the tarp and he would encourage the owner to finish his repairs and remove the tarp.

Discussion occurred among several Board Members, Staff and residents attending over the need to review various access points to the Community Center for handicap individuals – to see if the current entry / exit points can be improved. It was recognized that several years ago three handicap doors were installed and other improvements made but could more be done? D. Gunter indicated that she would take this project on and report back later on her findings.

A resident asked if HCA employees could “sweep” the street curbs - where pine straw and leaves “build up” in front of the gutters. Dave Grove stated that although HCA is not responsible for the streets – HCA employees do try to periodically remove pine straw “build-up” that occurs in front of the street drains. HCA does not have the manpower however, to do this on every street – especially after heavy rains, storms, etc.

New Business

Dave Grove presented the 2020 Proposed Budget. It was noted that two projects totaling \$ 50,500. had been deleted from the Budget presented to the Board at the October 29, 2019 Budget Meeting and four projects were added totaling \$ 50,500. so the totals for Revenue and Expenditures remained the same. Mr. Grove indicated that as of November 20, 2019 HCA had \$388,075. in Operating Funds and \$692,831. in Reserve Funds for a total of \$ 1,080,906 in a local Bank.

Discussion centered on the various expenditures projected for 2020 that were included in the Budget proposal. Based on the projected Expense / Revenue, the Board agreed with Staff's recommendation that for 2020, there should not be an increase in HCA assessment variables.

Mr. Terry Helsley Motioned for the Board to accept the 2020 Budget as presented (see attached), Mr. Brower seconded and the Motion passed with a vote of 7 for, 1 against (Mr. Seabrook). Note: Mrs. Cannon exercised her Proxy for Ms. Lucas by voting in favor. Mr. Grove indicated that Mr. West had informed him that due to his absence out of the state, he would not be able to attend tonight's meeting but he wanted the Board to know that he was in favor of the Budget as presented. Therefore, recognizing Mr. West's desires, Mr. Seabrook exercised Mr. West's proxy by voting in favor of the Budget.

DDRC Report

Mr. Nagler presented the DDRC Report

- Homeowner, Solar Approved, - Crossbow Lakes Court (in “Chesterfield Park area), off Crossbow Drive

RDRRC Report

Mr. Cloutier presented the RDRRC Report:

- Utility Shed approved, Crown Point Court - “Beacon Hill” area (off Columbiana Drive), 11/8/19.
- 4' to 5' Wood Scalloped Privacy Fencing approved, Harbison Club Court HOA, Harbison Club Court along Hillpine Road, 11/14/19.
- 6' Wood Privacy Fencing approved, Crown Point Court – “Beacon Hill” area (off Columbiana Drive). 11/25/19.

Old Business

Ms. Brooks mentioned that she had recently met with the Director of the Columbia Transit Authority regarding the numerous bus stops being placed in the Harbison area. Specifically – it was desired to find out their plans for installing benches, shelters or other accommodations. She indicated that more information would be forthcoming regarding the Authority's overall plans.

Dave Grove reminded the Board that a typical discussion at every November Board Meeting involved a presentation of HCA's Assets/Liabilities and other financial facts but he wanted to remind the Board that HCA's greatest assets were the individuals who chose to work here as employees. HCA was blessed by having many long term employees, and while they may have had opportunities to work elsewhere – possibly making a greater salary – they have chosen to stay at Harbison because they care about Harbison. The Board commented that they agreed!

Executive Session

Mr. Nagler Motioned that the Board move into Executive Session to discuss Personnel and Legal matters. Mr. Seabrook seconded, and the Motion passed with a vote of 6 for, 0 against, 3 absent (Mr. West, Ms. Lucas, Ms. Schafer) 7:20pm.

Mr. Brower Motioned that the Board reconvene Open Session, Mr. Nagler seconded, and the Motion passed with a vote of 6 for, 0 against, 3 absent (Mr. West, Ms. Lucas, Ms. Schafer). 8:12pm.

Adjournment

Hearing no additional business, Mrs. Fontaine Motioned that the meeting be adjourned, Mr. Helsley seconded, and the Motion passed with a vote of 6 for, 0 against, 3 absent (Mr. West, Ms. Lucas, Ms. Schafer). 8:13pm

June Cannon
Vice President / Secretary

Attachments: 2020 Budget Material

2020 Assessment Variables; Assessment Due Date, Delinquency Rules, Payment Plans

1. The annual assessment formulas for the year 2020 for properties located in the Harbison Community Association, per dollar of assessable property, are as follows:
 - a. Single family residential: $(\text{Property value} \times .0019) + \text{flat rate of } \175
 - b. Apartments/Multiple family residential: $\text{Property value} \times .0038$
 - c. Commercial: $\text{Property value} \times .0019$
2. Statements for annual assessments are mailed in the first week of January. Payment in full is due by June 30, 2020. A payment reminder will be sent to all owners with a balance due in the first week of June.
3. Any balance not paid by June 30 become delinquent.
4. Delinquent accounts will be charged 12% interest on July 1, 2020.
5. An administrative charge of \$48 will be added to any owner account with a balance over \$100 on July 1.
6. At the end of July, certified letters will be sent to notify delinquent owners of intent to file a lien with the county and/or complaint with the local magistrate court.
7. Additional Fees for filing documents with the county and local magistrate courts:
 - a. \$25 per Lien filed on property of owners with delinquent balance over \$100
 - b. \$80 per Complaint filed against owner with delinquent balance over \$100
8. If an owner with a delinquent balance over \$100 signs a payment plan with a minimum monthly payment of \$100, then the Association will not proceed with the collection actions mentioned in #7 (a & b).
 - a. Monthly payments for payment plans are due on the 5th of each month.
 - b. There is a \$25 fee for late monthly payments.
 - c. If a monthly payment is not received by the 15th of the month, the Association will cancel the payment plan and proceed with the collection actions mention in #7 (a & b).
9. A payment plan with a monthly payment under \$100 must be approved by the Executive Director. A lien will still be filed (#7a), but the Association will not proceed with a complaint at the local magistrate court (#7b) while the payment plan is in good standing.
10. Any delinquency case may be turned over to attorneys at the discretion of the Association's Executive Director. Based on legal advice, an analysis of the property, and considering known circumstances regarding the delinquency, the Executive Director will make the final decision on whether to initiate a foreclosure proceeding on any property. The owner could be held liable for any resulting legal fees.

HARBISON COMMUNITY ASSOCIATION

BASIS OF 2020 CALCULATIONS

The 2020 budget calculations are based upon the following information.

\$245,615,018	Value of 1997 single family residences
156,725,283	Value of apartment complexes, quadraplexes and assisted living facilities
272,831,271	Value of retail/commercial (One-Half of actual value used to calculate proportion of HCA assessment)
<u>\$675,171,572</u>	Total value of Harbison property as used for the HOA assessment calculations.

2020 PROJECTED EXPENSE AND ASSESSMENT CALCULATIONS

\$ 2,813,402	Expenses as requested for the budget
\$ (43,500)	Less Projected Revenue from Adlerian lease & utilities
\$ (218,475)	Less Projected Revenue from operation of the Recreation Center
\$ (104,850)	Less Projected Other Revenue (fees & misc)
<u>\$ 2,446,577</u>	Amount needed from assessments to meet projected expenses for 2020
\$ 890,020	Amount to be assessed to single family residences
\$ 567,916	Amount to be assessed to apartment complexes
\$ 988,642	Amount to be assessed to retail/commercial
<u>\$ 2,446,577</u>	Matches amount needed as shown above

2020 PROPOSED ASSESSMENT RATES

0.0019	Proposed decimal assessment rate per dollar of assessed value of residential
\$175	Proposed proportionate fee for single family residences

2020 assessment formula for single family residences is as follows:

$$0.0019 \times \text{appraised value} + \$175 \text{ proportionate fee}$$

0.0038	Proposed decimal assessment rate per dollar of assessed value of apartments
0.0019	Proposed decimal assessment rate per dollar of assessed value of commercial

The calculations below show about what the actual billing calculations will produce in revenue if all units pay..
The results are hypothetical only, but use the source numbers to determine revenue from each category.

\$816,144	Computed income from single family residences
\$595,556	Computed income from apartments
<u>\$1,036,759</u>	Computed income from retail/commercial (whole value x assessment rate)
\$2,448,458	Projected total income if all units paid as set above

2020 PROJECTED BUDGET SURPLUS/DEFICIT

\$2,448,458	Yearly income for all units billed as set above
<u>\$ 2,446,577</u>	Amount needed to cover association's projected expenses
\$1,881	Excess (shortfall) caused by rounding factors

Budget Inc & Exp yr comparison YTD projections for Annual Budget

	Budget 2020	Projected 2019	Budget 2019	\$ Change Budget 2020 to Projected 2019	% Change Budget 2020 to Projected 2019
Assessment Income Total	2,448,458	2,296,688	2,296,705	151,770	7%
Fee & Penalty Income Total	30,000	40,711	30,000	(10,711)	-26%
NSF Income Total	350	420	250	(70)	-17%
Lease Income Total	43,500	43,260	43,489	240	1%
Interest Income Total	66,500	66,159	70,000	341	1%
Membership Income Total	72,600	70,437	64,000	2,163	3%
Program Income Total	128,875	166,864	117,600	(37,989)	-23%
Facility & Equip Rental Income Total	17,000	22,170	20,000	(5,170)	-23%
Concession & Vending Machine Total	-	-	-	-	0%
Other Miscellaneous Income Total	8,000	8,737	3,600	(737)	-8%
TOTAL INCOME	2,815,283	2,715,447	2,645,644	99,836	4%
Payroll - Wages & Bonuses Total	1,159,050	1,068,444	1,054,774	90,606	8%
Payroll Taxes - Employer Total	95,700	93,768	87,000	1,932	2%
Employee Group Benefits Total	165,000	126,530	140,967	38,470	30%
Add'l Employee Benefits Total	3,800	2,976	5,693	824	28%
Payroll Processing Expense Total	5,000	4,818	6,000	182	4%
Employee Business Expenses Total	21,750	17,054	32,940	4,696	28%
Board Meeting Expenses Total	5,900	2,307	2,000	3,593	156%
Conventions & Travel Total	1,900	7,287	3,600	(5,387)	-74%
Other Reimbursements Total	9,270	7,965	8,850	1,305	16%
TOTAL PERSONNEL EXPENSES	1,467,370	1,331,149	1,341,824	136,221	10%
Administrative Expenses Total	-	-	3,600	-	0%
Professional Services Total	46,600	44,448	26,000	2,152	5%
Collection & Lien Expense Total	30,000	13,172	30,000	16,828	128%
Management Fees Total	-	-	-	-	0%
Employment Expenses Total	7,700	7,009	1,060	691	10%
Bank Charges Total	9,000	8,944	9,000	56	1%
Insurance Expenses Total	223,500	201,077	229,000	22,423	11%
TOTAL ADMIN EXPENSES	316,800	274,650	298,660	42,150	15%
Contract Services Total	62,680	43,332	51,500	19,348	45%
Office & Operating Supplies Total	36,250	41,272	33,000	(5,022)	-12%
Utilities Total	174,000	154,913	159,620	19,087	12%
Telephone & Internet Total	12,000	9,831	12,000	2,169	22%
Security Monitoring Service Total	1,100	1,031	-	69	7%
Postage & Printing Total	24,000	23,179	30,000	821	4%
Dues & Subscriptions Total	850	643	1,200	207	32%
Rent & Lease Expenses Total	21,000	16,084	15,000	4,916	31%
Bldg & Grounds Maintenance Total	278,552	340,234	214,750	(61,682)	-18%
Technology Maintenance Total	40,000	39,381	15,000	619	2%
Other Operating Expenses Total	52,550	51,252	15,200	1,298	3%
Bad Debts & Write-offs Total	20,000	24,504	40,000	(4,504)	-18%
Depreciation Expense Total	159,000	156,522	160,000	2,478	2%
Taxes & Other Fees Total	2,600	2,711	1,200	(111)	-4%
Miscellaneous Expenses Total	4,650	4,557	9,500	93	2%
Reserve Contributions Total	140,000	180,000	240,000	(40,000)	-22%
TOTAL OPERATING EXPENSES	1,029,232	1,089,445	997,970		
TOTAL EXPENSES	2,813,402	2,695,244	2,638,454	118,158	4%
NET INCOME	1,881	20,203	7,190	(18,322)	-91%