

**3 CHERRY WAY HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS
MEETING MINUTES OF FEBRUARY 18, 2025**

1. CALL TO ORDER:

The meeting was called to order by K. Brockman on February 18, 2025, at 9:30 AM in the 3 Cherry Way Community Center.

2. ROLL CALL:

A roll call was taken of the Board of Director members by M. Barnes, Recording Secretary. As indicated below, there were four (4) directors in attendance, a quorum.

<u>OFFICE</u>	<u>OFFICER</u>	<u>ATTENDANCE</u>
President	Karry Brockman	Yes
Vice President	Jim Dellinger	Yes
Treasurer	Curt Hendricks	Yes
Recording Secretary	Marge Barnes	Yes
Corresponding Secretary	Cindy Dubac	No

3. AGENDA APPROVAL:

A. M. Barnes/C. Hendricks: Motion to approve the meeting agenda (with additions or deletions).
Passed, unanimously.

4. APPROVE MINUTES:

A. J. Dellinger/M. Barnes: Motion to approve the January 14, 2025, 3CW Standard BOD Meeting Minutes.
Passed, unanimously.

5. OLD BUSINESS:

A. Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to enter into a contractual agreement with AquaTech Pool Management Group, Charlotte, NC to replace two (2) underwater lights and seals, and two (2) underwater light fixtures at a cost not to exceed \$3,200.00.
Not completed. Waiting on warmer weather conditions.

B. Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to fix the sloped area between Rynbrandt Dr. and Sylvia Ct. using terraces to hold mulch, with volunteers doing the repair at a cost not to exceed \$500.00. **Schedule pending – seeking quotes.**

C. Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to repair a drainage issue at 2212 Skeena Cherry Ct. using community volunteers at a cost not to exceed \$400.00.
Schedule pending – seeking quotes.

D. Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to purchase pea gravel for two (2) sides of the pool at a cost not to exceed \$1,000.00. **Schedule pending – seeking quotes.**

E. Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to purchase a storage shed to store items from the Clubhouse at a cost not to exceed \$3,000.00. Resolution Without a Meeting amended to authorize 3 Cherry Way HOA to purchase the shed at a cost not to exceed \$6,000.00. **Completed.**

F. Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to purchase a boulder to be placed at the corner Sonata Ct. and Sunburst Ct. plus two (2) solar lights to shine on the boulder. The boulder will help keep large vehicles from hitting the gutter on the home at that corner. The cost not to exceed \$450.00. **Completed.**

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6. NEW BUSINESS:

- A. J. Dellinger/C. Hendricks:** Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to enter into a contractual agreement with Lincoln Landscape, LLC, 134 Fairland Lane, Lincolnton, NC 28092, to trim the trees at the Storage Lot at a cost not to exceed \$2,400.00.
Passed, unanimously.
- B. J. Dellinger/M. Barnes:** Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to enter into a contractual agreement with Lincoln Landscape, LLC, 134 Fairland Lane, Lincolnton, NC 28092, to remove a stump at 2917 Tieton Ct. at a cost not to exceed \$450.00.
Passed, unanimously.
- C. J. Dellinger/C. Hendricks:** Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to enter into a contractual agreement with B. P. Drainage Works, Inc., 7804 Commerce Drive, Denver, NC 28037 to repair the drainage issues effecting Early Robin Drive and Sylvia Ct. for a cost not to exceed \$8,000.00.
Passed, unanimously.
- D. M. Barnes/J. Dellinger:** Receive and file Resolution Without a Meeting to authorize 3 Cherry Way HOA to enter into a contractual agreement with B. P. Drainage Works, Inc., 7804 Commerce Drive, Denver, NC 28037 to repair the drainage issues on Ulster Ct. for a cost not to exceed \$12,000.00.
Passed, unanimously.

7. TREASURERS REPORT: (C. Hendricks)

- A. J. Dellinger/K. Brockman:** Receive and file Superior Mgt. December 2024 financials documents.
Passed, unanimously.
- B. C. Hendricks, Treasurer:** Reviewed the summary report of the Superior December 2024 financial report, briefly explaining the current status of 3CW's financials.
1. Year to date budget and annual budget are the same.
 2. Net income for the end of December 2024 was -\$16,306.15 due to maintenance expenses for the large drainage project that was expected for December 2024.
 3. The interest income for the year of 2024 was \$73,063.08, which reflects successful fiduciary efforts for the BOD in 2024.
 4. Annual Operating Income for the year was \$634,561.46, which was \$75,581.46 over our budgeted income.
 5. Actual expenses year-to-date were \$437,207.00, which is \$121,773.00 under our budgeted expenses.
 6. Net income for the year was \$197,354.46.
 7. Retained earnings for the year are \$1,254,578.00 in retained earnings.
 8. At the end of the year 2024, we had:
 - a) \$65,068.36 in the Operating Account.
 - b) \$22,185.10 in the Pre-Reserve Account
 - c) \$1,214,490.86 in the S. A. Account

8. ACC STATUS REPORT:

A. P. Mercier:

1. Phase 2 of the Landscaping Project – All of the data is collected, and the map is ready for the planting of new shrubs.

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2. An email will be sent out to those homeowners who will be receiving the new bushes in Phase 2 of the landscape plan for the community.
3. An Open Forum for those receiving bushes will be held in the beginning of March.
4. Planting will occur between March 31 through April 4, 2025.

9. OFFICERS' STATUS REPORTS:

A. K. Brockman, President:

1. The BOD is very engaged in putting together a plan for drainage, signage, concrete repairs, etc. for the community.
 - i) Accumulated all of the input the BOD has received from the community.
 - ii) C. Dubac produced a large spreadsheet with all of the known work to be done in the community.
2. Mailbox Security Light
 - i) K. Brockman replaced all the batteries in the lights at the mailbox building and installed a new solar motion sensor light for the area.
3. There are two (2) pole lights at the Clubhouse parking lot. We want to look at what, if anything, Energy United could do to light up the parking lot.
4. We have the outside lights on the Clubhouse and the portico on continuously.
 - i) Suggestion was received for a timer to be used to light that area after dark.
 - ii) D. Kelly and K. Brockman could not find the breaker that trips those lights.
5. Mr. Handyman will be giving us the information for the next group of buildings that will be caulked and painted.
6. C. Dubac has activated the Candidate Committee for the election on May 15, 2025.
7. C. Dubac is working diligently on the Violation Compliance and Enforcement Policy and Procedures and is working with Superior to enforce the policy.
 - i) Superior has made a pass through and identified some violations.
 - ii) Superior will be making another pass through at the end of February 2025.
 - iii) Superior has worked with C. Dubac to make sure that they can handle all of the violations.
 - iv) Superior will send out notices of violation.
 - v) If you have questions, contact Superior or one of the BOD members.
8. The election is scheduled for May 15, 2025.
9. The ad hoc committees need candidates to fill the committees.

B. J. Dellinger, Vice-President:

1. Lincoln Landscape began working for 3 Cherry Way HOA January 1, 2025.
2. They are bush trimming and cleanup beginning in the west area of the community and working east working on the landscaping section by section.
3. Drainage is a very serious issue in the community. Lincoln Landscape and B. P. Drainage are working on these issues.
4. Acknowledged the volunteer work of former residents of 3CW, Charlie and Melanie Mellenthien, which resulted in health issues for both of them.
 - i) The BOD, due to the serious health issues experienced by the former president of the HOA, Tony Smith, has decided that most work will be done by contractors vs. residents volunteering their time and sacrificing their health.

C. C. Hendricks, Treasurer:

1. Our Reserve goal for 2024 was \$120,000.00.
 - i) We exceeded that by approximately \$35,000.00.
2. Our Reserve goal for 2025 is \$158,300.00.

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- i) We have already deposited in January 2025 \$60,000.00.
- 3. *BOD Comment: K. Brockman:*
 - i) The money that we reserve is invested in CDs.
 - (1) The CDs have a range of maturity dates and interest percentages.
 - (2) We are trying to invest the money to coincide with the timing of what has been identified as far as expenditures in the Reserve Study.
 - (3) The Reserve Study looks out into the future for 30 years.
 - (a) Identified a need of \$13,000,000.00 to meet the maintenance and repairs required over time.

D. C. Dubac, Corresponding/Record Retention Secretary:

E. M. Barnes, Recording Secretary:

- 1. We need volunteers for the Ad hoc Committees to help the BOD.
- 2. No Newsletter for 2025 as of yet due to time constraints and no volunteer help.
- 3. M. Barnes will send the document listing the Ad hoc Committees out to the community so you can see where you could be of help to the BOD.

10. RESIDENTS COMMENTS/Q & A:

A. Pat and Jim Mercier, 8231 Rainier Dr.

- 1. Pat – *Question:* Please put in the Newsletter that you are not supposed to put out bread for the birds because the bread will actually kill birds.
- 2. Jim – *Question:* Why did the vote to appoint a new BOD member was not in the meeting agenda to be the official record of this appointment?
 - i) *Answer:* The BOD decided that we would do what had been done by previous Boards and in compliance with our Covenants and Bylaws.
 - (1) The Bylaws state that we do not elect for the “position” on the BOD. We elect a person to serve on the BOD and are not elected as a particular position on the BOD.
 - (a) The BOD meets after an election and designates which person will act as President, Vice President, Treasurer, Recording Secretary and Corresponding Secretary.
 - (b) There are instructions for filling a vacancy on the BOD prior to an election. The BOD can appoint a person for a particular vacancy for a temporary period of time.
 - (c) We will be meeting with our attorney to make sure we followed the Governing Documents and are in compliance when moving the Treasurer to President and appointing a temporary Treasurer.
 - (d) M. Barnes went back and researched what the BOD did following the May elections.
 - (i) The new BOD met after the election and assigned positions on the BOD.
 - (ii) There was no RWM done for the BOD assigning positions.
 - (iii) An email was sent out to the Community informing them who was filling each of the five (5) BOD positions.

B. Larry and Phyllis Wilson, 8348 Glacier Dr.,

- 1. *Question:* How much will the HOA pay in taxes for 2024? Do we have exempt status?
 - i) *Answer:* In April of 2024, an application for 501C4 status was sent to the IRS. We have not heard back from the IRS on this application.
 - (1) Without the 501C4 status, we will have to pay 30% on the interest of \$73,000.00 earned in 2024.
 - (2) We engaged with a tax advocacy group to get assistance with the application.

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(a) Received a phone call from the advocacy group stating that they didn't know what our status was.

2. *Question:* Have you tried to ask an attorney or a CPA to assist with the tax status?

(1) *Answer:* We tried to find a CPA that would work with the 501C4 application, but no one contacted (4 to 5) wanted to do it. We asked our attorney for assistance, and he told us to talk to a CPA.

3. *Question:* The portals on the homes are not being painted to match the color they were before, which was white. Why is this happening when the vendor is painting?

i) *Answer:* We can ask Mr. Handyman and see if there is an explanation.

C. Jim Valenti, 2256 Early Robin Dr.

1. Just wanted to thank the BOD for their effort and time.

D. Annie Taylor, 8901 Sweet Cherry Ln.

1. *Comment:* Wanted to thank the BOD for going through the community to fix the drainage issues left by the builder.

i) *Response:* B. P. Drainage has identified six (6) other drainage issues to be addressed in the community in addition to the two (2) they are working on this week.

2. *Comment:* People that walk their dogs should not allow them to get into the mulched areas in front of our homes. They scratch it out onto the grass.

E. Margaret Schultz, 8520 Christalina Ln.

1. *Question:* I don't understand what is going on with the common area in front of our home. I understand that we don't have our 12" anymore. Also, I have heard that we cannot have this or that, but I have never seen what I can have and can't have.

i) *Answer:* Yes, you own the property 12" out from your foundation. Beyond that is common area which belongs to the HOA. There are rules and guidelines for what can and cannot be placed in the common area around your home. The 12", however, is an easement.

(1) An easement is meant to allow utilities, i.e., water, gas, sewer, etc., which allows municipal workers to come and be able to get to what is in the ground in that area.

(2) Pat Mercier of the ACC: *Answer:*

(a) The Landscape Standards and Guidelines and the Architectural Standards and Guidelines were published last year and can be located on the 3 Cherry Way website. There are maps included that shows where you can place decorations or plantings.

(b) We also had an Open Forum meeting last year for people to come out and voice their opinions and ask questions on the ASG and the LSG that were sent to the community.

(c) Please call me if you have questions or concerns and I will be happy to help you.

F. Danny Stout, 2917 Tieton Ct.

1. *Comment:* Please be aware that there was a house fire that was caused by a golf cart that blew up in someone's garage. Don't leave it charging during the night. Charge your golf cart when you are able to monitor the charger.

i) *Response:* Recently, the BOD was discussing items that are stored in garages that could be potentially a fire risk such as items with lithium batteries, car batteries, propane tanks, etc. The BOD decided that the Rules and Regulations would simply recommend that certain items not be stored in the garage.

ii) This is why we have homeowners insurance.

iii) Make sure your smoke detectors are working and have a working fire extinguisher.

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- iv) We have recently issued a golf cart policy where we recommended standards for your golf cart. The BOD has to address potential liability issues for the HOA, and it is not meant to put you in a position for a potential violation.

G. Diane Hendricks, 8507 Van Ct.

1. *Question:* Do you know when the pool will open in May?
i) *Answer:* No, not at this time.
2. *Question:* A nonresident came to me and said they were not comfortable coming to a Board meeting, although they have been attending, and offering suggestions and opinions. Someone told them that because they were a member of a trust that they had no standing in the community.
i) *Answer:* There has been a lot of misunderstandings about trusts. It doesn't preclude them from giving suggestions.
3. *Question:* There has been a suggestion to put in a bocci court. This would be a perfect project for Eagle Scouts to do.
i) *Answer:* Please get us some quotes, diagrams and /or pictures.
4. *Question:* Vial of Life, putting information for first responders on paper, i.e., list of medications, medical conditions, etc. into a prescription bottle and placing in the refrigerator for the first responders. There are 4 left, and they are in the library for new residents or those who did not get one.
5. Please be aware that this BOD is losing two (2) valuable BOD members. Please consider running for the BOD or asking your neighbors if they might be interested in volunteering their time to being a BOD member.

11. ADJOURNMENT: J. Dellinger/M. Barnes: Adjourned the 3CW HOA BOD meeting February 18, 2025, at 10:58 am in the 3CW Community Center.