President Tim Ford called the Board meeting to order at 9:03 a.m. and established a quorum.

**APPROVAL OF MINUTES:**
President Ford requested a motion for approval of the minutes from the May 14, 2016 regular meeting; the May 15, 2016 annual meeting and the May 16, 2016 directors’ meeting. A motion was made by Juli Fendley to approve the minutes for all three meetings. The motion was seconded by Mike Golden and approved by the Board.

**EXECUTIVE SESSION:**
President Ford adjourned the regular meeting at 9:04 a.m. to go into executive session and Teresa Soape and Debbie Ford were excused. The Board discussed action to be taken in regard to a recent criminal matter. The Board of Directors agreed to accept restitution and postpone the decision to proceed with arrest of the violator until the July meeting, pending the outcome of restitution payment.

President Ford adjourned the Executive Session to go back into the public portion of the Regular Meeting at 9:27 a.m.

**TREASURER’S REPORT:**
The treasurer's report for 5/31/16 was presented to the Board. The beginning bank balance was $8,110.04, with deposits of $30,705.51 and expenses of $7,123.17, leaving an ending bank balance of $31,692.38.

The property collections report for 5/31/16 was presented for approval. The prior maintenance fees balance was $107,401.00; prior mowing fees balance was $45,360.00; current maintenance fees for the 2016/2017 balance is $50,680.00; there are no mowing fees recorded for 2016/2017. The financial report was accepted by the President as submitted.

President Ford adjourned the meeting for a break at 10:00 a.m. and called the meeting back to order at 10:12 a.m.

**GUESTS:**
President Tim Ford welcomed Justice of the Peace Greg Magee to the meeting. Judge Magee discussed Deed Restriction Jurisdiction and Enforcement of Restrictive Covenants. He gave particular attention to judgments where the court may assess civil damages for the violation of a restrictive covenant in an amount not to exceed $200 for each day of the violation.
Judge Magee handed out copies of these laws as well as a sample template to be used when filling out a petition for small claims cases. He also explained that his court handles restriction violations other than involving the structure of a house. He said a POA or an individual can file violations and gave the Board specific instructions for filing and handling these cases.

**Taxes, Annual Audit, Compilation, Auditor Requirements and Year-End Financials:**

- Tim Ford asked Teresa Soape whether or not CPA Paula McIntyre still planned to provide a quote to charge SHPOA to do the taxes. Ms. Soape reported that there was no response to the email she sent and that she would contact Ms. McIntyre on Monday. Mr. Ford asked Teresa to email an update to the Board after she visits with Ms. McIntyre.

- Treasurer Ellen Fendley filed an Application for Automatic Extension (Form 7044) on May 6, 2016; there has been no response. Teresa Soape will file another extension to back up Ellen's previous filing.

**Certified Final Demand and Settlement Letters:**

There was nothing new to report on final demand and settlement letters.

**Past Due Notices:**

- Scott Carter will be working on a late notice letter after the first of July. A certified letter will be mailed to the property owners who are past due in payment of their annual maintenance assessment informing them their pool and boat launch privilege card will be deactivated if they continue to be delinquent in payment. They may appeal this action at the next regularly scheduled meeting of the Board of Directors of the Stephens Hills Property Owners Association, and informed of the date.

- After considerable discussion about filing liens against members four years past due, Scott Carter said that he would review the list to be compiled by Charlie Heasty (non-voting legal committee member) and make a determination as to which liens can be filed. He will prepare the lien notices for President Tim Ford's signature. Mr. Ford asked the legal committee to provide a copy of the list created by Charlie Heasty.

**Monthly Payment Plan:**

Sub III, Sec 2: Teresa Soape has recently sent a letter to a property owner who requested to be put on a monthly payment plan. There has been no response. Ms. Soape sent a second letter to the physical address of the person who made the request; member has a thirty day window to respond.

**COMMITTEE REPORTS:**

**ARCHITECTURAL COMMITTEE REPORT:**

- Sub III, Sec 4: Via email, Juli Fendley made a motion to approve construction of a new home and garage that meets all deed restriction requirements. The motion was seconded by Glorian Drews and approved 6-0.

- Sub III, Sec 4: Via email, Juli Fendley made a motion to approve an 8x10 garden storage building. The building meets deed restriction requirements. The motion was seconded by Glorian Drews and approved 6-0.

- Sub III, Sec 2: Ms. Fendley reported that a property owner plans to extend their roof and that it will not interfere with any boundary lines.

- Sub III, Sec 4: Ms. Fendley requested to have a second letter sent to property owners who have been making construction changes to their residence without Board Approval. The letter should explain that the Board will take legal action if it happens again.
• Sub III, Sec 1: Juli Fendley requested to take action on a house where a metal structure has been attached and is being used as a carport. The structure does not comply with deed restrictions and was not approved by the Board.

MAINTENANCE COMMITTEE REPORT:

Fire and Routine Mowing:
Certified letters to begin fire mowing (with intent to charge) were mailed to 152 lot owners.

Mowing and Non-Mowing Deed Restriction Letters:
Certified letters for violation of rules and regulations were mailed to two property owners.

Downed and Dead Trees:
There was no new business to report regarding downed and dead trees.

Swimming Pool Maintenance:
• Tim Ford updated the Board regarding the thick sediment that has settled to the bottom of the swimming pool. Backyard Oasis believes the sediment is caused by paint that has dissolved from the plaster. They are using an independent pump to vacuum the bottom of the pool and the project will be time-consuming. Algae continue to be an issue.
• Mr. Ford recommended that more lighting be placed around the swimming pool for safety.
• Several projects for swimming pool maintenance continue to be tabled at this time.

Driveway and Parking Area:
There was nothing new to report on the driveway and parking area project.

Boat Ramps:
Sub III:
• The Board agreed that a professional company should be contacted to give estimates to repair the damage along the bulkhead at the Sub III boat ramp. Mike Golden will research and contact various companies to draw up plans and estimates to present to the Board.

Sub II:
• On June 11, via email, the Board approved to pay Mike Davidson $100 to clear and haul debris away from the ramp at Sub II and to fill holes at the top of the ramp with road-base. The debris was too large for the mowers to clear under their regular contract.
• The drop off at the end of the ramp will not be repaired until the lake level drops again. For now, Tim Ford and Mike Golden recommend installing two 12"x18" aluminum reflective signs cautioning boaters about the drop off. Via email, the Board agreed to purchase the signs at a cost totaling $55.21. Mr. Ford and Mr. Golden will install the signs.

NOMINATING COMMITTEE REPORT:
There was nothing to report from the nominating committee.

LEGAL COMMITTEE REPORT:
During the course of the Legal Committee Report, President Ford asked Scott Carter to replace any older legal business with newer business if he had nothing new to report. Mr. Carter said he was not comfortable taking over someone else's work and would have to start over on these cases. Juli Fendley asked Mr. Carter to look into the possibility of foreclosing on lots with higher past due accounts.
OLD BUSINESS:

Deed Restriction Updates:
Scott Carter and Juli Fendley plan to meet and review changes made to the deed restrictions.

Nuisance Complaints:
- There have been no updates from Constable Alvin Wyatt regarding the properties that have nuisances filed against them.
- Juli Fendley recommended having all current nuisance cases sent to small claims court utilizing the form Judge Greg Magee provided earlier in the meeting and the Board agreed. President Tim Ford requested to add one more property owner to that list. The names and contact information will be given to Scott Carter so that he can proceed with the cases.

SHPOA Special Assessment Committee:
During the annual board meeting on May 5, 2016, property owners approved a plan to seek a $150 assessment fee per property owner in order to generate funds to repair the swimming pool. The cost to repair the pool has been estimated at $60,000. The Board was charged with developing a proposal for the membership and to seek assistance from the members to help with development of a proposal. Glorian Drews will chair the committee and is in the process of contacting those who expressed an interest in serving.

Old Business (cont’)
- Sub III, Sec 3: Property owners previously requested to work this summer in trade for $200 in fees. They were asked to set up a meeting with Debbie Ford to go over possible projects they could do and apply toward their dues. The owners have not responded to the Board's decision.
- Sub II, Sec 2: A property owner in good standing requested to have past due fees, incurred by a previous owner, reduced on a lot that he wished to purchase. The Board agreed to have the past due fees of $2,079.80 reduced to the past four years plus the current year. The total amount due will be $500 and includes releasing a lien on the property. The new owner must agree to remain current going forward. The property owner has thirty days to respond to the Board's decision.

NEW BUSINESS:

Welcome Packet:
Ellen Fendley shared an idea that homeowner Charlie Heasty recommended during the annual meeting. The idea is to send a welcome packet to new property/homeowners in SHPOA that would include a welcome letter, deed restrictions and a general information sheet about the subdivision. The President asked Teresa Soape to put a welcome packet together and make it available online.

Request to Reduce Fees:
Sub III, Sec 2: A property owner in good standing has purchased a lot that adjoins his lots. There are back fees from the previous owner totaling $1,738. The new owner asked the Board to consider lowering the fees. Glorian Drews made a motion to have the four previous years plus current year paid; totaling $500. The motion was seconded by Juli Fendley and passed 5-1. Scott Carter opposed.

Owner/Renter with Four Key Cards:
A lot owner reported that she had a total of four key cards. After clarification during this meeting it was established that the same person who owns a lot (but is also renting a house) has access to only two key cards. Debbie Ford will address the key card issue with the property owner and renter.
Deed Restriction Violation:
Sub II, Sec 5: It was brought to the Board's attention that a house that was recently built has no septic system. The Board requested to have a deed restriction letter written to the builder/owner of the house.

Special Recognition:
President Tim Ford gave special recognition to home owner Wes Wodahl (Sub III) for all of the work he has done around the pool and pavilion areas. Mr. Wodahl has power washed nearly all of the concrete areas at the clubhouse, pavilion and swimming pool. In addition, he has made small repairs and watches over the swimming pool. Juli Fendley suggested a thank you letter from the Board.

Special Compensation:
President Ford requested special compensation to a home owner who has begun making repairs to the clubhouse roof. Some repairs have already been completed at no charge. Mr. Ford asked the Board to consider a credit for the home owner once he has an estimate to finish the project. Board members suggested that the home owner may wish not to receive special compensation because his work was a gift to the community.

Glorian Drews made a motion to adjourn the meeting. Mary Ann York seconded the motion and the Board approved. The Board meeting was adjourned at 1:36 p.m.

NEXT REGULAR MEETING: JULY 16, 2016 AT 9:00 A.M.