

**HERITAGE ACRES PROPERTY OWNERS ASSOCIATION
MINUTES FROM ANNUAL MEETING, DECEMBER 14th 2019
CARTERVILLE CHRISTIAN CHURCH**

The meeting was called to order at 2:00 PM by Avery Barnett.

Current board members were introduced, including Christopher Cox, who assumed Brandon Wilson's position on the board; Brandon resigned from the board when he moved out of Heritage Acres.

The minutes from the 2018 annual meeting were reviewed and Steve Swearngen moved to approve the minutes as written, Martin Ellison seconded, the motion passed on a voice vote.

Financial Reports

Steve Swearngen reviewed the Road Maintenance Account Report with the group and detailed the paving that took place on Split Rail and Fireside this year, totaling around one mile of pavement overlaid. Jason Peterson moved to approve the report, David Gibson seconded; the motion passed on a voice vote. Currently there are three residents in arrears, only one is greater than three years in arrears. Steve also presented a spreadsheet that demonstrated the number of years required to repave all roads in the neighborhood at current prices and dues rates, as well as at higher dues rates.

Martin Ellison reviewed the Sewer Maintenance Account Report. There is information regarding the process by which the POA collects funding for sewer maintenance through an agreement with the City of Carterville attached to the account report as well. Bill Birkes moved to approve the report, David Gipson seconded; motion passed on a voice vote. There are currently no Heritage Acres accounts with Carterville that are past due and at risk of having to be addressed by the POA. Martin also discussed plans to internally inspect the sewer system in the coming year to identify any problems that can be repaired before they become critical.

Board Member Nominations

Avery Barnett and Steve Foster are retiring from the board this year. Avery Barnett made motions to elect Marla Bosworth and Larry Warren to fill the vacancies on the Board. Jason Peterson seconded Marla Bosworth and Jerry Parsons seconded Larry Warren. The motions passed on a voice vote. Steve Swearngen agreed to continue serving on the board; Avery Barnett moved to elect Steve to another three-year term, Jason Peterson seconded; the motion passed on a voice vote.

Heritage Acres Signs

There was discussion about the aging wooden street signs in the neighborhood. Several years ago, the neighborhood approved the removal of the signs at an annual meeting. If you have any of these signs on your property, you can remove them. There was also discussion about restoring the large sign at HH and Split Rail. Bill Birkes moved to approve the Board to spend a reasonable amount to repair or replace the sign in order to improve its appearance. David Gibson seconded; the motion passed on a voice vote.

Other Discussion

Street lights, gates, and a Neighborhood Watch were discussed, based on their suggestion on the POA's

Facebook page. It was determined no action should be taken at this time due to the expense and that it is unlikely that any of these methods would have an effect on crime rate.

David Punch led a discussion about Directors' and Officers' Liability Insurance. He moved to have the board seek a D&O policy in order to protect the neighborhood from unexpected special assessments in the event of a lawsuit. The motion was seconded by Bill Birkes and passed on a voice vote.

Lisa Peterson led a discussion about dues and stated that the information presented with the financial reports indicated that the current dues amount was insufficient to keep the roads in the neighborhood in the desired condition. After discussion, Lisa moved to increase the dues by \$50 for 2020 and to consider an additional \$50 increase for 2021 at next year's annual meeting. Jason Peterson seconded; the motion passed on a voice vote.

There was discussion about the brick mailboxes in the neighborhood, specifically the ones on Split Rail. Bill Birkes thought they might be illegal based on Jasper County's laws. Since the POA is not a law enforcement agency and there is no information in the Covenants and Restrictions regarding mailboxes, the Board does not plan on taking any action at this time.

Steve Swarengen motioned to adjourn the meeting, Jason Peterson seconded; the meeting was adjourned at 4:00PM.

HERITAGE ACRES PROPERTY OWNERS ASSOCIATION
ROAD MAINTENANCE ACCOUNT
AS OF 11/30/2019

Beginning Balance (November 30, 2018)	\$82,095.70
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Revenue:

Property Owner Assoc. Dues Collected	\$40,012.75
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Interest	\$0.00
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Interest paid on Loan from Sewer Maintenance Fund	\$0.00
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Total Revenue	\$40,012.75
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Expenses:

Empire District Electric Payments	\$ 400.00
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Bank Charges	\$ 0.00
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Maintenance of Roads	\$ 95,262.70
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Postage	\$ 144.51
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Day & McGuire (Tax Filing)	\$ 650.00
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Street Signs	\$ 0.00
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Website	\$ 278.15
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Registration Fees	\$ 11.25
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Legal Fees	\$ 0.00
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Dues Overpayment Refund	\$ 186.50
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Total Expenses	\$ 96,933.11
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Ending Balance (November 30, 2019)	\$ 25,175.34
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COMMUNITY NATIONAL BANK & TRUST
 2813 THE LOOP
 CARTHAGE MO 64836
 (417) 237-0096

HERITAGE ACRES PROPERTY OWNERS ASC
 307 FIRESIDE DR
 JOPLIN MO 64801-9201

Date 12/07/18

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COMM CHECKING ACCT

Summary of Activity Since Your Last Statement

Beginning Balance	11/13/18	72,372.70
Deposits / Misc Credits	3	13,275.00
Withdrawals / Misc Debits	2	380.15
** Ending Balance	12/09/18	85,267.55 **
Service Charge		.00
Minimum Balance		75,972
Enclosures		4

Deposits and Other Credits

Date	Amount	Activity Description
11/13	3,600.00	Deposit
11/21	6,225.00	Deposit
12/06	3,450.00	Deposit

Checks

Date	Check No	Amount	Date	Check No	Amount	Date	Check No	Amount
11/29	1055	102.00						

* indicates a break in check number sequence

ATM /POS Transactions

Date	Deposits	Withdrawals	Location
12/07		278.15	POS REVOLVING/EFT TRANS EIG*Hostgator.com 713-5745287 MA 395707 12/06 00:00

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Date 12/07/18

Daily Balance Summary

Date	Balance	Date	Balance	Date	Balance
11/13	75,972.70	11/29	82,095.70	12/07	85,267.55
11/21	82,197.70	12/06	85,545.70		

Community National Bank & Trust

11/27/19

10:50:23

DEMAND - History Inquiry

Current x +

Account Information

ACH Inquiry

Account Number		Short Name	HERITAGE ACRES PR				
Nbr Debits	4	Last Stmt	11/08/19	Available Balance	25,175.34	Current Balance	23,825.34
Nbr Credits	2	Nbr Enclosed	6	Collected Balance	23,825.34	Last Stmt Balance	109,877.80

Monetary Activity | Non-Monetary Activity | Package Post | Teller Memo

Standard View	Debit/Credit View	Stmt Desc View								
Eff Date	B Src	SubSrc	Batch	Trcd	Description	Check Nbr	Debit Amount	Credit Amount	P	Current Bal
11/12/19	POD	TCX	350	0056	Check	1063	29.06			109,848.74
11/12/19	POD	TCX	350	0056	Check	1062	110.00			109,738.74
11/12/19	POD		250	0090	Check	1061	200.00			109,538.74
11/25/19	POD	TCX	352	0020	Deposit			4,800.00		114,338.74
11/26/19	POD	TCX	350	0020	Deposit			4,725.00		119,063.74
11/26/19	POD		250	0090	Check	1064	95,238.40			23,825.34
Pending	HT		BEB006	0030	Credit Memo			1,350.00		

\$25,175.34

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HERITAGE ACRES PROPERTY OWNERS ASSOCIATION ('HAPOA')

SEWER MAINTENANCE ACCOUNT

ANNUAL REPORT FOR FISCAL YEAR 2019 (12/01/2018 - 11/30/2019)

Beginning Balance Cash and Bank Accounts (12/01/2018): \$ 18,612.66

Adjustment from prior years \$ 0.00

Beginning Balance - Adjusted: \$ 18,612.66

Income

Sewer service fees collected - City of Carterville remittances to HAPOA \$ 23,106.00

Sewer Delinquencies Operating Account (monies received from owners) \$ 0.00

Total Income: \$ 23,106.00

Expenses

Electric Utilities \$ 3,301.63

Sewer Delinquencies Operating Account (monies paid out by HAPOA) \$ 381.79

Infrastructure - Sewer Lift Station Equipment Maintenance \$ 148.00

Infrastructure - Sewer Lift Station SMS Alerts, Quarterly Inspections \$ 1,568.96

Infrastructure - Sewer Lines \$ (200.00)

Professional and Legal \$ 504.00

Misc Fees, Charges, Office Expense \$ 116.30

Total Expenses: \$ 5,820.68

Net Income (Income less Expenses): \$ 17,285.32

Ending Balance Cash and Bank Accounts (11/30/2019): \$ 35,897.98

Reportable Assets and Liabilities

- Current Assets: One property lien for unpaid sewer service bill, value: \$ 1,885.16
- HAPOA sewer account currently has no outstanding accounts payable.

Supporting Information

Income

- *HA Servicing Fee.* Following vote of approval at 2018 HAPOA Annual Meeting, and subsequent ratification by City of Carterville (pursuant to City Ordinance 2657 E, dated 03/05/2019), the Association began collecting \$12.00 per connection per month servicing fee

HERITAGE ACRES PROPERTY OWNERS ASSOCIATION ('HAPOA')

from HA property owners - an increase of \$2.00 per connection per month over previous months. The fee is the Association's primary source of funding for all its sewer system infrastructure maintenance and operations.

Expenses

- *Line repairs.* Payments to Right-A-Way sewer service \$1,000.00, and Lee Sandtorf excavating \$325.00, pertaining to two separate sewer line breakages caused by AT&T contractor's trenching operations over parcels being developed along Meadowland Drive; in both cases, contractor made full restitution of Association's expenses for repair of breaks. In one case, contractor was requested, and agreed to make, additional restitution to cover cost of significantly elevated electricity consumption of lift station pumps due to heavy rains before the break was discovered and repaired.
- *Lift station monitoring contract.* Payment to Mr. Matt Napier, \$588.96 for renewal of annual contract for provision of SMS real-time electronic monitoring and alerts of lift station controls; Association also continued agreement with Mr. Napier to provide time-and-materials quarterly manual/visual lift station inspections, evaluation and reports.
- *Lift station service and inspections.* Payments to Mr. Matt Napier, \$980.00 for quarterly inspections and reports; payment to Mr. Matt Napier \$148.00 labor to pull one pump and remove blockage.
- *Electric Utilities.* Payments to Liberty Utilities for pumps.
- *Delinquency Operating Account.* Payment to City of Carterville, \$374.94 for one account in arrears with balance 90 days past-due (the amount has not been collected.); certified mail to additional property owner advising him of his obligations vis-a-vis any payment Association may be required to make on his behalf.
- *Attorney fee.* Payment to Checkett & Pauly, \$504.00 for review of new City of Carterville sewer agreement.

Sewer Account Delinquencies - 90 days past due

As of October 31, 2019, there were 0 City of Carterville sewer accounts in the HA development in excess of 90 days past their due date, representing an amount of \$ 0.00 potential liability to HA.

Other

- Periodic adjustment of Carterville operating charge to HA property owners now in effect Mid-2019, City of Carterville began billing HA property owner's sewer operating charge using the method approved at the HAPOA 2018 Annual Meeting. The City operating charge is now calculated using the average of the property's actual water usage from February, March and April of each year, to be recalculated no more than annually. The adjusted sewer operating charge for each property will be reflected on May's billing following the months used to calculate the average. Public Water District #3 provides HA property water usage data to City.
- Camera inspection of sewer lines being investigated to ascertain if any condition issues.

HERITAGE ACRES PROPERTY OWNERS ASSOCIATION ('HAPOA')

Obligation of Heritage Acres property owners regarding payment of City of Cartersville bills for sewer service.

The following information is provided as a courtesy to Heritage Acres property owners in order to clarify a situation wherein HA property owners may have received sewer service from the City of Cartersville for multiple months, though the owner may not have been receiving a monthly bill. This occurs - and has occurred - when the City is unaware a property is occupied, or did not have a property owner's name for bill mailing. At the time the City becomes aware of the date of occupancy of an HA property, any and all sewer account charges for prior months from the date of occupancy to the current date are considered delinquent if unpaid, and are liable for payment by the property owner.

If a property owner is unsure (or disputes) whether the improvements on his/her property is connected to the HA sewer system (or, whether the improvement uses a septic system), the owner is advised to contact an Association Board member, who will be able to provide confirmation of whether or not a sewer connection is being used on the property.

It is the *property owner's* responsibility to ensure the City of Cartersville has been apprised of the date of occupancy of an HA property, and that the City has a correct billing name and address for the owner.

How City of Cartersville delinquent sewer service accounts are treated

Bi-annually on March 31st and September 30th of each year, the City of Cartersville is contractually within its rights to demand full payment from the HAPOA to satisfy the amount in arrears on any and all HA property owner's delinquent sewer accounts with the City that are 90 days past due on those dates.

When and if such payment demand by the City is made, the Association is contractually obligated to make payment to the City of Cartersville. Payments are disbursed from the HAPOA Sewer Maintenance Account, and delinquent property owner(s) become debtors to the Association. This does not relieve the property owner of any obligation to the City of Cartersville with respect to payment of the City's bills for sewer service to the affected property(ies).

The Sewer Delinquencies Operating Account on the Annual Report is used to reconcile:

- amounts paid by the Association to the City of Cartersville on behalf of HA property owners with City of Cartersville sewer service accounts in arrears, and for which the City has demanded (or is anticipated to demand) payment of a past due amount;
- costs associated with the Association's attempts to communicate with and collect such amounts from property owners; and
- receipts of any monies paid back to the Association by debtor property owners.

Collection by the Association of HA property owner obligations

In the Association's contracted capacity set forth in the Association's sewer agreement with the City of

HERITAGE ACRES PROPERTY OWNERS ASSOCIATION ('HAPOA')

Cartersville, and the Association's rights and obligations pursuant to the HA Covenants, the Association's Board will utilize all available means for collecting amounts owed the Association by an HA property owner. In the past, the Board has retained the services of an attorney to assist in collecting monies owed the Association as a result of its settlement on behalf of an HA property owner of City sewer accounts that were in arrears, and the Association customarily files liens - which are duly recorded - on affected properties to protect the interests of the Association's property owners.

The amount owed the Association by an HA property owner will (in addition to the total amount of any monies paid by the Association to the City on the property owner's behalf) include all professional, legal and administrative fees, and other necessary expenses associated with collecting monies owed to the Association by the property owner. These expenses include professional, legal and administrative fees necessary for removing any property lien(s) that may have been filed and recorded.

Interest at the rate of 18% is added annually to the outstanding balance of all HA property owner sewer account debts owed to the Association, independent of any lien that may have been filed.