



The Elite Insider

Inside this issue:

| | |
|---|---|
| <i>Should Annual Meetings Approve Minutes?</i> | 1 |
| <i>2013 Calendar of Events</i> | 1 |
| <i>As Renters Move In, Some Homeowners Fret</i> | 2 |
| <i>Board Leadership and Education Seminar</i> | 2 |
| <i>HOA, Celina homeowner battle over fines for roof color</i> | 3 |
| <i>Bieber Causing Rifts with Association Neighbors</i> | 3 |

Should Annual Meetings Approve Minutes?

Jim Slaughter

Like board meetings, annual membership meetings of non-profits, condominium associations, and homeowner associations should keep accurate minutes. After all, adopted minutes are the official record of actions taken at a meeting. Well-written minutes may be the best proof of whether a proposal was adopted or the exact wording of a motion, possibly even years later. But who should vote to approve annual meeting minutes? It's not uncommon for such membership meetings to take up the minutes as an early item of business at the following annual meeting. But to wait a year to resolve the minutes doesn't make much sense. After all, it's unlikely that members are going to recall what happened a year earlier. For that matter, the voting body may be composed of completely different members. As a result,

groups that meet once a year typically don't approve minutes.

If your organization follows Robert's Rules of Order Newly Revised (11th Edition) because of state statute or language in the governing documents, the general rule is this: bodies that meet less often than quarterly don't approve minutes (however, there are exceptions for multi-day meetings such as conventions).

The recommended practice for annual meetings of members is that the executive board or a committee (sometimes called a "Minutes Approval Committee") should be authorized to approve the minutes shortly after the meeting. While the entire organization can always revisit the minutes the following year,

this process allows the organization to have official minutes without waiting 12 months.

Some members believe that actions adopted at a meeting aren't final until the minutes are approved at the next meeting. Not true! As my friend the late Hugh Cannon said in his book Cannon's Concise Guide to Rules of Order, "Think of the minutes as a report on the weather at the last meeting: you cannot change what the weather did on that day. Nor can you change what the members did; you can correct only a misstatement as to what actually happened." The minutes aren't what make an adopted motion valid, but are simply a record of what happened at the meeting.

Elite Management

Professionals, Inc.
AAMC

•4112 Blue Ridge Road
Suite 100

Raleigh, NC 27612

Find us online at
www.elite-mgmt.com,
Facebook and Twitter

Phone (919) 233-7660

Fax (919) 233-7661

Office Hours

Mon.-Thurs. 8:30-5:30

Friday 8:30-1:00

2013 Calendar of Events

OCTOBER

Board Member Education Seminar

October 29- 6:00-8:00pm

Come join us to review the important role of serving on the Board, how to review the financial statements, governing documents and review your community websites.

Please contact Dawn Hatcher to register.

NOVEMBER

November 28 and 29- Thanksgiving—All offices Closed

DECEMBER

December 10-5:30-7:30pm-2013 Holiday Open House and Food Drive. Please plan to bring canned food!



December 24 and 25- Christmas—All offices Closed

JANUARY 2014

January 1 -New Year's Day
All Offices Closed.

As Renters Move In, Some Homeowners Fret



Across the country, a growing number of single-family rentals provide an option for many who lost their homes in the housing crash through foreclosure and for those who cannot obtain a mortgage under today's tougher credit conditions. But the decline in homeownership is also changing many neighborhoods in profound ways, including reduced home values, lower voter turnout and political influence, less social stability and higher crime.

"When there are fewer homeowners, there is less 'self-help,' like park and neighborhood cleanup, neighborhood watch," said William M. Rohe, a professor at the University of North Carolina at Chapel Hill. Even conscientious landlords and tenants invest less in their property than owner-occupants, he said. "Who's going to paint the outside of a rental house?

You'd almost have to be crazy."

Despite signs of recovery in the housing market, the country's homeownership rate is still on the decline. In hundreds of neighborhoods that once attracted first-time home buyers, investors have stepped in, buying up tens of thousands of homes for the rental market. That has helped put paying tenants in a number of homes that were vacant or becoming eyesores. And many of the new tenants say they are eager to buy a home at the first opportunity and share the same concerns as homeowners about maintaining a safe and healthy neighborhood for their families and children.

But it has also raised the ire of some homeowners whose tidy subdivisions have changed, seemingly over-

night, into a parade of strangers. It is a struggle between wanting the dues paid and wanting a peaceable, nice existence. Investors, however, say they have done a service to neighborhoods plagued by foreclosures, by helping nudge home values upward and renovating and maintaining formerly vacant homes.

"Where we go in, we go in to fix that house up, and we're the best-looking house on the street when that goes through," said Kent Clothier Sr., the senior partner of Memphis Invest, which buys and renovates homes, sells them to mostly out-of-town investors, then manages the property for them. "That's good for the neighborhood."

Board Member Education Seminar and Fall Festival

Board Education Seminar

Please plan to attend the Board Education Seminar on October 29, 2013 from 6:00 pm –8:00 pm at the Elite Management Professional's office on Blue Ridge Road. Topics covered:

- Roles and responsibility of the Board
- Governing documents
- Parliamentary procedure for board meetings
- Board officer duties
- Homeowner rights and responsibility
- Management Company roles and responsibilities
- Work order process, bidding and contracting
- ARC process



- Financial management
- Reserve funding
- Website access

Please RSVP to dawn-hatcher@elite-mgmt.com.

2013 Fall Festival

A special "Thank You" to our speakers for the fall festival. It was a great evening. In review of the presentations, we were very pleased at the topics covered and the importance of these topics to our associations. Our hope is that all board members will attend in the future. Following is just one of the great comments. "Well, you swept the bases again at yesterday's Fall Festival! I thought all

3 speakers were great (with fire protection, engineering concerns, and legal matters for communities) and the catering was awesome as always =).

Thank you again for taking the time to put that together- we had a great time. It was very thoughtfully organized- and as you joked, I believe everyone does leave a winner- regardless of the VERY generous raffle afterwards. =) You All are the Best!

Thank you so much!!

P Hungerford

PS- The mums are much appreciated and enjoying their new home on my front porch."

HOA, Celina homeowner battle over fines for roof color

The Hawkes' roof was "too brown," they said.

Most homeowners don't replace their roofs more than once in their lifetimes. They've got one shot to get it right. David and Melinda Hawkes of Carter Ranch in Celina didn't get it right after their roof was destroyed by hail last year, according to their homeowners' association. And for a year, they've been fighting the HOA over how much of a fine they should pay. It didn't seem that complicated.

The shingles had to be a color called "weathered wood," and had to be approved by the HOA architectural committee. The Hawkes thought they'd jumped through those hoops, hired a contractor, and work began. Then, there was a knock on the door. It was the roof police.

David Hawkes said the president of the homeowner's association and the HOA's management company actually told them to stop construction. "The roof you're putting on is not going to match," Hawkes recalled the pair saying. "It's not going to match the code. It's not going to be accepted here."

The Hawkes' roof was "too brown," they said. The color choice doesn't bother Mariana Noriega, who lives across the street from the Hawkes. She said the roof is pretty, and the whole contro-

versy is weird.

But not to the Hawkes, who started getting fines from the HOA. "First off, they started fining us \$25 a day," David Hawkes said, "and then that increased to \$50 a day, and that increased to a maximum of \$500 a day." The fines reached a peak of more than \$6,000, records show.

Judd Austin, whose law firm represents several HOAs in North Texas -- including Celina Carter Ranch -- said shingles are not a trivial matter.

"Architectural standards are really intended to protect the value of the investment the homeowners have in their homes," he said. He politely pointed out that if the Hawkes had any doubt of what color their roof was supposed to be, all they had to do was look around. They're surrounded by gray roofs, even though a Google search of "weathered wood shingles" yields several shades, from grays through beiges. After last year's storms, lots of Carter Ranch homeowners had to replace their roofs, Austin said.

"About 25 of them got it right. They got the (gray) weathered wood. No problem," Austin said. "There were a couple that didn't. Four or five that didn't."

The rogue roofs all got letters from the HOA, Austin said, ordering them to pay a fine,

now reduced to \$500, or ultimately face the HOA nuclear option: foreclosure.

"[The HOA] would be within their right to ask them to replace the roof," Austin added. Foreclosure, he said, is unlikely.

"You can pay the fine now, or you can pay it under a payment plan, if it's a hardship," Austin said. "My understanding is, everybody is under that agreement, except for the Hawkes."

Not exactly, it turns out. Dave and Kristen Buchanan's brown roof is clearly visible upon driving into the neighborhood. Months after their roof was replaced, the started getting fines, too.

They have not yet paid the \$500 fine. But they say they will, because they don't have enough money to fight the roof police in court.

The Hawkes haven't knuckled under yet, but the power is on the HOA's side, which can put a lien on their house. They still say it's all unfair, and point up the street to a home whose owner has painted his sidewalks white, standing out from his neighbor's, whose sidewalks are gray.

It belongs to the president of the homeowners' association. He declined to be interviewed.



Bieber Causing Rifts with Association Neighbors

International pop sensation Justin Bieber has been accused of speeding, reckless behavior, partying all night and breaking several rules in his Calabasas, CA home-

owners association, according to *Curbed LA*. Several neighbors threatened to withhold their monthly assessments until the association forced Bieber to

comply with rules. The community's 500 residents each pay about \$1,000 per month.

Join our team in the fight to help create a world without Type 1 Diabetes!

The Elite Management Professionals team will be participating in the 2013 Walk to Cure Diabetes- JDRF. We welcome you to come be a part of our team. Go to the following link to participate. http://www2.jdrf.org/site/TR/Walk-NC/Chapter-TriangleEasternNC4488?team_id=136102&pg=team&fr_id=2469

We Thank You in advance for your support of the JDRF organization!