

Line Runner Maintenance Corporation Annual Meeting
2026 Minutes

June 06, 2026 at Common Area at the Lake

Board Members in attendance: David Cronin, President
Garry Fields, Vice President
Sally Radovich, Secretary-Treasurer
Lee Burton, Board member
Kathleen Briola, Board Member

Quorum is met.

Membership in attendance: 24 owners representing 27 eligible votes
Proxies in hand: 4
Eligible votes: 31 of 86 or 36.0%.

The meeting was called to order at 10:06 AM by President David Cronin. Mr. Cronin welcomed everyone and thanked all for coming to the meeting. The Board and all owners in attendance introduced themselves.

Mr. Cronin asked for a motion to accept the minutes from the 2025 meeting.

A MOTION WAS MADE AND PASSED TO ACCEPT THE MINUTES FROM THE 2025 MEETING. THERE WERE NO VOTES AGAINST.

Ms. Radovich gave the Treasurers report for 01/01/25-12/31/25.

- The community had \$21,245 in the bank as of June 5, which included almost \$20K collected in 2026. Money carried over from 2025 funded the roadwork that was completed in the past 2 weeks. There is also \$5,044 in a CD that is from the checking account.
- LRMC Savings balance was \$69,591 of which \$60,782 is in 3 CDs. These funds are reserved for replacement/repair of the community assets, including the dam, the dock and the entry gate.
- The CDs are earning 3.75% currently. Excess funds in both savings and checking accounts will be added to the CDs when they mature in late June and early July.
- Financial review of the 2025 results was completed by Mark Mitchell and Liz Braun on May 10, 2025. No unusual activity was observed in the records. Mr. Mitchell and Ms. Braun were walked through the processes involved with invoicing of members, receipt of payments from members, receipt of bills from vendors and the payment process for the vendor bills. Ms. Dalton asked how an owner could view receipts for work done. Ms. Radovich indicated that any owner may contact her to review the financial records.
- Last year, research was done on using electronic payment methods but no cost free method was found. Based on information from an owner (thank you Bennett Greenberg), additional research was conducted into using Zelle. Per our Wells Fargo banker, there is no cost for using the service. A Zelle account was set up attached to the Wells Fargo checking account and the service was tested (thank you Gary Stahl). The payment was received the same day. This service will be offered to all owners starting in 2027.

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- Per the bylaws, the Secretary/Treasurer’s annual dues are waived. Ms. Radovich proposed several fees to replace those funds that will affect new owners, delinquent owners or owners requesting paper billing.
 - Several properties have sold in 2026 and when the closing attorney requests information on any outstanding dues or fees, they specifically ask whether there is a “transfer fee”. Ms. Radovich proposed the imposition of a transfer fee of \$50, which would compensate the community for the time involved in providing the accounting information to the closing attorney and the updating of the QuickBooks database for both the old and new owners. Mr. Stahl commented that a fee of \$100 would be reasonable.

A MOTION WAS MADE AND PASSED TO IMPOSE A \$100 TRANSFER FEE TO BE CHARGED AND COLLECTED AT THE CLOSING. THERE WAS 1 VOTE AGAINST.

- When an owner has more than 2 years of outstanding assessments, the LRMC practice is to send a formal notification of the delinquency to the owner via certified mail that indicates that a lien may be placed on the property if the assessment is not paid within 15 days. After 15 days, the LRMC Treasurer files a lien and sends a copy to the owner via certified mail. The owner is charged for the actual costs incurred – mailing and filing costs. Many communities use an attorney to provide these services and the owner would be charged for the attorney’s time. Ms. Radovich proposed a \$25 fee for the Notice of Assessment (i.e. intent to lien) and \$50 for the Claim of Lien and Release of Lien (assessed as 1 fee). This is substantially lower than what an attorney would charge if we outsourced the work.

An owner can contact the LRMC Treasurer to request a payment plan for the dues if there is a financial hardship. Acceptance of and adherence to a payment plan freezes the assessment of late fees and the lien process.

A MOTION WAS MADE AND PASSED TO IMPOSE A \$25 NOTICE OF ASSESSMENT FEE AND A \$50 CLAIM OF LIEN AND RELEASE OF LIEN FEE. THERE WAS 1 VOTE AGAINST.

- A third proposal was made to assess a \$2 fee for each paper invoice that is mailed to assess the costs incurred to the owners requesting the paper invoices. Mr. Ristau recommended that owners be encouraged to sign up for electronic communications. Mr. Stahl mentioned that some owners might not have email accounts.

A MOTION WAS MADE TO IMPOSE A \$2 FEE TO OWNERS WHO REQUEST PAPER INVOICES. THE MOTION DID NOT PASS. THERE WERE 15 VOTES AGAINST THE PROPSAL.

- Despite any additional fees, LRMC costs have continued to increase and we have continued to spend more than is taken in. The increase in dues in 2026-2027 was the first increase

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since the 2019/2020 assessment year. In 2025, LRMC spend \$10K more than collected with major expenses in legal fees (\$20.8K), culverts (\$6.0K), rock grinding (\$2.4K) and freeze storm clean up (\$1.1K). Costs in 2026 are continuing to increase.

- Our grading contractor has increased his hourly rate by 20% (from \$100 per hour to \$120).
- From 2020 to 2026, the cost of ABC gravel has increased by almost 70%. It has gone up 11.8% this past year.
- QuickBooks Online costs have increased steadily each year, from \$540 when the system was implemented in 2021 to \$810 in 2025. The increase in 2025 was 15.4%. A 5% increase is budgeted for 2026.
- Liability insurance costs have risen 8.5% in 2026. The 2026 invoice for the E&O insurance has not been received but was budgeted at a 5% increase.
- Legal expenses related to the Spotted Rock litigation defense totaled \$20,836. YTD in 2026, legal fees on the matter are \$299 but additional expenses are expected as LRMC defends against the appeal that is pending.
- The Board is doing everything possible to conserve costs and many neighbors are assisting by volunteering time to minimize outside labor and maximize what we get from our vendors.
 - Our neighbor, Dan Ristau **GENEROUSLY** donated his time and equipment costs for the leaf blowing in 2025 and snow plowing in 2026, saving the community \$1,300 and \$325 respectively. The community is very grateful for his willingness to assist with the work.
 - Owners in the community have volunteered for work in the community, saving over \$3,000 in 2025 and almost \$1,300 so far in 2026. The volunteers are
 - inspecting all roads to develop the list of work needed on the roads and swales;
 - clearing sticks and leaves from swales when only a small area needs the work;
 - touching up work on catch basins and water run offs;
 - following the grader and picking up large rocks and debris pulled up;
 - installing fence posts where needed;
 - directing the gravel trucks on where to spread each load;
 - stabilizing and clearing both ends of culverts;
 - and many other seemingly small tasks.The volunteers include Elmer Zebley, Garry Fields, Lee Burton and Nancy Loupe. Additional volunteers are welcome; please contact the Board if you would like to assist with projects.
- As a result of the cost increases and despite the efforts to minimize the expenses, the Board recommended 2 actions.
 - Amend the Bylaws to provide LRMC the authority to tax the costs of litigation to a property owner who sues the community if they do not prevail or for frivolous filings.

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The LRMC Board may seek legal advice on drafting the amendment. This would not allow LRMC to assess for past fees, but would support recouping future costs incurred.

A MOTION WAS MADE AND PASSED TO AMEND THE BYLAWS TO TAX AN OWNER FOR THE COST OF LITIGATION IF THE OWNER FILES A LAWSUIT AND DOES NOT PREVAIL OR FOR FRIVOLOUS FILINGS. THERE WERE 3 VOTES AGAINST.

- Approve an increase in dues for 2027/2028 to \$700 per assessment. The group discussed an option for a special assessment related to the legal costs incurred and keeping those funds separate from the operating fund. Anticipating the extent of the legal fees and ensuring that the special assessment billings were sent and funds collected in time to pay the fees as incurred would be difficult.

A MOTION WAS MADE AND PASSED TO INCREASE THE 2027/2028 ANNUAL ASSESSMENT TO \$700. THERE WERE 8 VOTES AGAINST.

- Discussion ensued regarding charging rental properties a higher fee. Concerns were raised over determining which properties are renting and/or violating the Bylaw that establishes 1 class of membership. A proposal was made to request a donation from the rental properties to address the additional traffic on the road. De Johnson proposed that the matter be referred to the Amendments Committee. The Board will determine who will prepare and send the letter.

A MOTION WAS MADE AND PASSED TO REQUEST A DONATION FROM RENTAL PROPERTY OWNERS. THERE WERE 3 VOTES AGAINST.

REPORTS ON BUSINESS/COMMITTEES FROM 2026

1. DAM UPDATE: Bill Huffman provided a history of the community lakes and dams. Mr. Huffman has been providing engineering services related to the dam for the community since 2000. An Operations and Maintenance Manual was developed along with an Emergency Action Plan that must be updated every year. Mr. Huffman also responds to any requests from the North Carolina Department of Environmental Quality.

Mr. Huffman reminded owners that the rocks at the spillway should not be moved. The rocks are placed strategically and moving them would cause the lake water level to drop.

Mr. Huffman estimated the cost of removing the dam and lake at over \$200K if the community decides that the lake is no longer desired.

The work completed by Mr. Huffman each year is estimated at approximately \$4,000 to \$5,000 if he did not volunteer his time to provide the service. LRMC owners vote every 5 years to waive the dues for the Huffman homes in appreciation of the work that Mr. Huffman does for the community without charge. The last vote was in 2024 so the next vote will be in 2029.

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Mr. Huffman will assist with finding an engineer to provide the services when he retires from his volunteer position.

2. LAKE COMMITTEE UPDATE: Elmer Zebley gave an update on the Lake. The current policy for fishing is Catch and Release Only; the website and signage has been updated.
 - Despite the severe drought, the quick and substantial rain and the heavy pollen, the lake has not been negatively impacted. The fish population is healthy and more small fish have been spotted in the lake. Efts, an amphibian biological indicator species, are also being seen in the lake, which attests to the health of the water.
 - Mr. Zebley emphasized that fish should not be introduced to the lake from other lakes and that additional species should not be put in the lake. Transported fish can bring disease and other species may not cohabitate with our current population.

3. ROAD COMMITTEE UPDATE: Mr. Fields discussed the status of the roadwork in the community.
 - Following the recent rain, the roads were graded and then 209 tons of gravel was added to the road over the past couple of weeks.
 - Grading properly requires the moisture level in the road to be deep enough to reach the bottom of the washboards. This is why LRMC grades after significant rainfall. Please keep in mind that the contractor is in high demand following any rainfall since all communities with gravel roads are trying to get the grading done at the same time as LRMC.

4. RIGHT OF WAY REMINDER: Mr. Cronin reiterated that the right of way granted to Line Runner Ridge Maintenance Corp (LRMC) is 30 feet from the property line/center of the road. If an owner opts to put a structure, landscaping, hardscaping, a fence or any other impediment to using the right of way, those items may be removed if LRMC needs to use that area for maintenance of the road, culverts, water cut outs, utilities or any other road related purposes. Please keep the right of way in mind when changes are made to your property.

5. FACEBOOK GROUP UPDATE: Sally Radovich announced that Jessica and Nick Mansfield, the current owner and moderators of the Line Runner Ridge Communities Facebook group, are moving and will be giving up the group once the sale of their home is complete. A new owner for the group will need to be identified along with additional moderators. The Mansfields made 2 recommendations to make the Facebook group more effective.

A MOTION WAS MADE AND PASSED TO IMPLEMENT A 3 STRIKES RULE TO ENSURE THAT MEMBERS POST APPROPRIATE CONTENT. THERE WERE NO VOTES AGAINST.

A MOTION WAS MADE AND PASSED TO TURN OFF ANONYMOUS POSTINGS. THERE WERE NO VOTES AGAINST.

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6. COVENANTS AMENDMENT COMMITTEE: Ms. Radovich reported out on the restrictive covenants committee. While the work on the amendments has continued, there are no amendments currently ready to presentation to the community. There are several less controversial amendments that will be presented together, hopefully in the fall. Electronic voting will be used if an appropriate vendor can be identified.

Mr. Galpin asked if the electronic voting tallies would be available by owner and not just in total; Ms. Radovich confirmed that a tally by owner is a requirement for any vendor selected. Mr. Ristau recommended contacting Haywood Electric to see who manages their voting because it is easy to use.

NEW BUSINESS

1. SPOTTED ROCK COMPLAINT: A complaint was filed by Spotted Rock LLC, Urban Farm LLC and LRR Cabins LLC naming LRMC and every owner individually as defendants. Mr. Galpin is the manager of all 3 companies that filed the complaint. LRMC is not allowed by NC law to represent itself in court (G.S. 84-5). Consequently, LRMC hired outside counsel to represent the community. Following several hearings in 2025, Judge Archie granted several Motions for Summary Judgment submitted by various defendants. Judge Archie specified that her ruling applies to all defendants, regardless of whether they responded to the complaint. On May 11, the Plaintiffs filed a Notice of Appeal. The appeal process will likely take several months and carry into 2027.
2. FED EX PACKAGES: Fed Ex has asked for permission to install a drop box for packages just after the first left curve on Line Runner Ridge. Another alternative is that Fed Ex to deliver in Line Runner Ridge only 3 days per week. If packages are not delivered, the Board recommends that complaints be called in to 1-800-GOFEDEX (1-800-469-3339). The Fed Ex driver, Scott, is willing to work with owners on deliveries by dropping packages at Dollar General, the Rosman Post Office or bringing it to the gate (if it is perishable).
3. BURN BAN UPDATE: Kathleen Briola updated the community on the recent burn ban. Based on the severe drought, North Carolina and Transylvania County issued burn bans on March 21; the bans were subsequently rescinded on May 2. During the ban, 2 fires in fire pits were observed at rental properties; the Board addressed both incidents. Please ensure that you remain aware of restrictions that may be implemented and advise your guests and renters of the restrictions. Information can be found on the North Carolina website at www.ncagr.gov.
4. BOARD MEMBER ELECTIONS: Terms were up for Vice President (Garry Fields), Secretary/Treasurer (Sally Radovich) and one Board position (Kathleen Briola).

Nominations were taken for the position of Vice President. Mr. Fields was nominated for the position. No additional nominations were received.

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Nominations were taken for the position of Secretary/Treasurer. Ms. Radovich was nominated for the position. No additional nominations were received.

Nominations were taken for the Board member position. Ms. Briola was nominated for the position. No additional nominations were received.

A MOTION WAS MADE AND PASSED NOMINATING MR. FIELDS, MS. RADOVICH AND MS. BRIOLA FOR THE POSITIONS OF VICE PRESIDENT, SECRETARY/TREASURER AND BOARD MEMBER OF LRMC RESPECTIVELY. THERE WERE NO VOTES AGAINST.

There being no further business, Mr. Cronin called for a motion to adjourn.

A MOTION WAS MADE AND PASSED THAT THE MEETING BE ADJOURNED.

The meeting was adjourned at 11:56 AM.