

Line Runner Maintenance Corporation Annual Meeting

2025 Minutes

June 14, 2024 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

Quorum is met.

Membership in attendance:	23 (representing 27 eligible votes)
Proxies in hand:	4
Eligible votes present:	31 of 86 or 36.0%.

The meeting was called to order at 10:08 AM by President David Cronin.

Mr. Cronin welcomed everyone and thanked all for coming to the meeting. Mr. Cronin asked for a motion to accept the minutes from the 2024 meeting. Sally Radovich moved to accept the minutes with one modification – the nomination and election of Garry Fields was not noted in the motion summary on page one and the nomination and election of Sally Radovich was noted twice (numbers 7 and 8). Ms. Radovich will add Mr. Fields election in item 7.

A MOTION WAS MADE AND PASSED TO ACCEPT THE MINUTES FROM THE 2024 MEETING AS MODIFIED.

Ms. Radovich gave the Treasurers report for 01/01/24-12/31/24.

- The community had \$10,336 in the bank at the end of April 2025. The balance in the Reserve Fund (savings) was \$9,689 with an additional \$43,628 held in high interest CDs.
- Excess funds in both savings and checking accounts were invested in high interest rate CDs (4%-5%) throughout 2024, which increased the interest earned throughout the year.
- Financial reports were sent with the meeting notice.
- Financial reviews of the 2023 and 2024 results were completed since the last meeting.
 - The 2023 financial review was done by Bruce Martin, Mark Mitchell and Dan Ristau on June 10, 2024. This review was particularly important with the change in Treasurer. Both Nancy Loupe and Ms. Radovich were confident that the financials fairly represent the community operating income and expenses. The reviewers were very complimentary of Ms. Loupe's efforts and appreciative of her service as well as BJ Achord's efforts to assist with the Secretary role. No unusual activity was observed in the records. Recommendations made include:
 - Consider contracting directly with gravel companies to reduce the cost of gravel. **RESULT:** LRMC contracted directly with Wilson Grading and LBM (McNeely) for gravel in 2024 as needed. No long-term contract has been developed with either of these suppliers.
 - Review the option to separate the Secretary and Treasurer roles. **RESULT:** The option has been discussed but no formal action has been taken. The Board will continue to work toward this goal.
 - Investigate providing the Treasurer with a credit card for recurring bills and small operational supplies. **RESULT:** LRMC was not able to obtain a credit card; however, a debit card was issued. The electricity recurring payments and operational expenses (postage, PO Box rental, envelopes, maintenance items, etc.) are now charged to the debit card.
 - Review pricing for hiring an outside management company to provide all services needed by LRMC. **RESULT:** Contracts were requested from 3 local companies. One company works

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only in the Sapphire/Cashiers area; one company did not respond. The third company replied with a quote that would be \$1,100 per month or \$152 per owner per year. Mr. Cronin noted that having an outside company managing the community would add a layer of complexity between LRMC and contractors. The owners did not support pursuing this option.

- The 2024 financial review was done by Mark Mitchell and Dan Ristau on May 29, 2025. Invoices sent, bills received and payments (received and sent) were traced through the QuickBooks system. No anomalies were identified. Recommendation made:
 - Formalize the documentation of approval for large and unusual expenses to ensure concurrence of the entire Board is evidenced.
- Mr. Cronin noted that increasing costs are straining the budget and that the Board is recommending an increase to the annual dues for 2026 of \$50. The cost of rock, fuel and equipment has increased substantially and all other costs are rising as well. Ms. Radovich noted that LRMC has spent more than the community assessments the past 2 years and the 2025 budget reflects more in expenses than income again.

A MOTION WAS MADE AND PASSED TO INCREASE THE 2026 ANNUAL ASSESSMENT TO \$650 WITH \$20 PER ASSESSMENT DEDICATED TO THE DAM RESERVE. THERE WERE 19 VOTES FOR THE MOTION AND 3 VOTES AGAINST.

REPORTS ON BUSINESS/COMMITTEES FROM 2025

1. Lee Burton provided an update on the Dam. For Hurricane Helene, Bill Huffman and Don Briola lowered the water level by 3.5 feet and the lake level rose to within 16 inches of the top of the dam. Mr. Huffman provides the engineering work needed to keep the dam operating manual up to date, which includes all downstream owners' names and contact information, and prepares the annual report for the North Carolina Department of Environmental Quality. 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.
2. Elmer Zebley gave an update on the Lake. The fish are healthy and good-sized. Water quality seems to be adequate as amphibians continue to be seen in the lake. A decrease in the number of catfish has been noted. As a result, the Lake Committee has decided to modify the rules to change the catfish to catch and release only. Bass and Carp will remain catch and release. Up to 6 blue gills may be kept per day per group/property with a minimum size limit of 6" per fish. Updates to the website will be required to reflect this change. Mr. Cronin mentioned that those fishing should be careful not to kill the fish if they do not intend to take them. David Brown requested that a sign be posted with the updated rules and the Board agreed to address that.
3. Mr. Fields discussed the status of the roadwork in the community.
 - Hurricane Helene did cause some damage to the roads and Austin McCall addressed the issues very quickly. Thank you, Mr. McCall!
 - LRMC experienced a deep freeze in January 2025 and addressed soft spots in the road with ballast and gravel with Mr. McCall's help.
 - Grading properly requires the moisture content in the road to be high so that the gravel/fines can pack after the grading, which is why LRMC grades after significant rainfall. The grader is now packing or rolling the gravel after the grading is complete which seems to help with keeping wash boarding to a minimum.
 - In 2024, 380 tons of stone was added to the roads as needed throughout the year.

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- Glance Greenscapes was hired to trim the road edges from Hwy 178 to the first curve and the first few hard turns to increase sight lines and allow full use of the road.
 - LRMC has contracted for several rocks that are protruding in the road and swales to be ground down below the level of the road so that the grader does not have to lift the blade in those sections. The work should be done within the next 2 weeks; the first possible date is toward the end of this week (June 19 or 20) or, more likely, the following week. A definitive date will be provided once the vendor provides it. The road will be closed during much of the work and alternate plans will need to be made for ingress and egress while the work is occurring.
 - Ms. Loupe thanked the Road Committee for their countless hours spent planning and overseeing the road work.
4. Jonathan Galpin covered the work of the Facebook Moderators. The moderators would like feedback on who is allowed to be added to the group. Mr. Zebley made a motion to limit access to the Facebook group to land/homeowners only. Since the Facebook group is not managed by the Board, the motion was tabled. The community consensus was that the group should be for land/homeowners only.
- A MOTION WAS MADE TO LIMIT ACCESS TO THE FACEBOOK GROUP TO LAND/HOMEOWNERS ONLY. AS THE FACEBOOK PAGE IS NOT LRMC SPONSORED, THE MOTION WAS TABLED.
- The Facebook Moderators are Jessica Mansfield, Nick Mansfield, Mr. Galpin and Kaylyn Gruber. Any moderator can remove an owner for violation of the rules or reinstate an owner who has been removed. Mr. Galpin confirmed that he has reinstated owners.
 - Gwen Ristau made a motion that the page be shut down. Since the Facebook group is not managed by the Board, the motion was tabled. Owners discussed both the usefulness of the Facebook group and the issues of inaccurate and defamatory posts. Most owners feel that the community benefits from the posts, especially those who are not in the community full time. A MOTION WAS MADE AND SECONDED TO CLOSE THE FACEBOOK PAGE. AS THE FACEBOOK PAGE IS NOT LRMC SPONSORED, THE MOTION WAS TABLED.
 - Henry Temple indicated that the rules for the group should be amended to support removing items that are causing unnecessary friction. Kristi Brown asked if posts that are disrespectful, not useful, causing contention or have no bearing on current events could be taken down by the moderators. Mr. Galpin indicated that allowing the disrespectful, unsavory or rude comments by owners is a free speech issue and he is not in favor of removing an owner from the group. Unless the comment is egregious, Mr. Galpin is not in favor of removing comments. Ms. Brown indicated that neighbors should talk to each other rather than posting disputes on Facebook. Mr. Galpin recommends that if 5 owners indicate that a comment is “unsavory” by posting that in the comments, then the post can be removed by the committee. Mr. Fields recommended that 3 owners indicating the post is inappropriate would be adequate. Mr. Temple discussed the option to have a Board managed site. The discussion ended without resolution.
5. Ms. Loupe reported out on the restrictive covenants committee. The committee has been meeting to discuss amendments to the community Covenants to maintain this subdivision as it is, a quiet, rural, rustic community. The committee has discussed 5 amendments.
- Amendment 1 was distributed, passed and filed with the county Registrar of Deeds. It allows, but does not require, owners to vote via an electronic voting system.
 - Amendment 2 evaluates the Nuisances and Temporary Structures section. It has been rewritten and updated to include additional items such as trash and debris, drainage control, motor vehicles, signage, fences, lights and noise. The draft will be sent out shortly for voting.

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- Amendment 3 is regarding rentals. It is based on comments from many owners. The first section addresses a prohibition of timeshares in the community. The second section is regarding rentals. This section needs to be reviewed by an attorney as there are very specific rules related to land use. Several options are being reviewed, including limiting the minimum rental days to 30 days, no more than 12 rentals per year, requiring the rental property owners to live in the community, limiting the number of rentals properties each owner might have. Questions were raised about whether the Covenants restrict the operation of businesses in the community. The owners were asked to provide the document that supports the restriction, as it has not been located in the county records. Extensive discussion was had regarding the impact of rentals on the community and if additional costs should be allocated to the rental owners. It should also be clear that owners are responsible for any issues that occur because of renters.
- Amendment 4 would restrict the minimum size of homes in the community.
- Amendment 5 would restrict the maximum size of homes in the community.

Ms. Brown expressed concern that owners could build a tiny home community and create additional issues in the community. Ms. Achord mentioned that these amendments to the covenants must be voted on by all owners and receive 67% approval to pass. Consequently, we cannot make the decision at this meeting. Ms. Loupe reiterated that it is imperative for owner to vote, regardless of a yes or no response, when the amendments are sent out so that all owners have a voice.

Ms. Loupe recommended a survey be sent to owners seeking input on the rentals amendment to ensure that all ideas are considered. She reiterated that the committee's goal is safeguard the rural, rustic, quiet community that we all expected when we purchased in the community.

Ms. Brown asked if an amenities fee could be added for owners buying into the community to assist with ongoing community expenses. The committee will consider an amendment for that purpose.

NEW BUSINESS

1. 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. Outside counsel has filed the LRMC response to the complaint with the court, provided plaintiff counsel with responses to discovery requests, participated in depositions of David Cronin and Don Jordan and attended hearings as required. On June 2, the plaintiff, Mr. Galpin was granted a continuance until July 22. On July 22, the court will hear Motion for Summary Judgment submitted by several defendants at 9:30 AM. The hearing will be at the Henderson County Courthouse and is open to all interested parties. Following the hearing in July, the next event is a trial, which is currently scheduled for August 25 in the Transylvania County Courthouse. Again, all interested parties are encouraged to attend the trial. Through May 31, LRMC has incurred and paid \$11,000 in legal fees related to the lawsuit. On advice of counsel, no additional information can be provided at this time.
2. Initial research into electronic payments (credit card, Venmo, Paypal or ACH) has been done. Fees for credit card, Venmo and PayPal transactions are approximately 3% through QuickBooks. Fees for ACH payments are 1% through QuickBooks. Other vendors are available but research in to their costs, functionality and interface with QuickBooks has not yet been attempted. The goal is to determine feasibility by July 31 and set up the process by August 31 if it is a viable solution.

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- QuickBooks does not support an automatic increase of the amount collected to reflect the fees for owners using the alternative payment process. For example, if an owner pays by credit card, the credit card transaction fee cost to LRMC would be approximately \$18.00. An ACH payment would cost LRMC \$6.00 in transaction fees.
- Since the fee cannot be added to the transaction by QuickBooks, the owners at the meeting were asked if they are willing to accept those fees as an ongoing expense (which may ultimately increase the annual assessment). The owners in attendance were not in favor.
- An alternative was to increase the annual assessment by 3% on the invoice with a message that a discount equal to that increase is available for those who pay by cash or check. After discussion, only 1 person in attendance would use the feature if it were available; other requests have been made by 3 or 4 owners that are not in attendance.

The owners at the meeting expressed that the additional work required to allow the option was not supported due to the limited requests.

3. The topic of hiring a professional management company for the community was covered in the financial review section by Ms. Radovich; the owners were not in favor of the additional cost.
4. The Board is not ready to discuss the topic of the Bylaw Amendment on Votes and would like to table the topic. Ms. Loupe expressed concern that Mr. Galpin might build multiple dwellings on the Line Runner Ridge Cabins property, which would assign additional votes to that property. Those additional votes might allow one owner (regardless of who that is) to virtually control the community. Mr. Galpin indicated that there is no intent to build on his property but he is preparing the lots for development to improve the sale potential of the property. The owners expressed support of limiting votes controlled by one owner to ensure equal representation. The Board will develop the required changes.
5. VACANT BOARD POSITIONS: Terms were up for President and one Board position (Lee Burton).

Nominations were taken for the position of president. Mr. Cronin has graciously agreed to run for President and was re-elected without opposition.

A MOTION WAS MADE AND PASSED NOMINATING MR. CRONIN FOR THE POSITION OF PRESIDENT OF LRMC.

Nominations were taken for the Board member position currently held by Mr. Burton. Mr. Burton was nominated for the position and was re-elected without opposition.

A MOTION WAS MADE AND PASSED NOMINATING MR. BURTON FOR THE POSITION OF LRMC BOARD MEMBER.

With the resignation of De Johnson on May 15, the Board appointed Kathleen Briola to serve the balance of Ms. Johnson's term. As required in the Bylaws, ratification of this nomination was sought from the owners. Ms. Briola's appointment was ratified without opposition.

A MOTION WAS MADE AND PASSED RATIFYING MS. BRIOLA'S APPOINTMENT TO THE BOARD POSITION.

There being no further business, the president called for a motion to adjourn.

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

The meeting was adjourned at 12:25 PM.