

## VGI 2023 Annual Meeting.

Meeting called to order 6:00 pm

- Matt Leverett opened the meeting with comments regarding election and lawn care vendor information.
- Jason with Grass Inc. introduced himself and began answer questions.
- Ruth asked: If there was a new signed contract with Grass Inc? Matt stated Jason is our landscaper and the HOA is prepared to operate under the same contract.
- Ruth stated she had two issues with October invoices. Ruth questioned a canopy? Jason explained the definition of a canopy.
- Matt explained the General Maintenance and Repairs would capture anything over \$60k
- Ruth questioned an invoice for Manchac Commons. Sarah advised this was a clerical error.
- Jason was introduced to all the Board Members and Magnolia
- Joyce stated she called Jason and he did not get back. Jason stated he called back\
- Jason and Joyce conversed about the irrigation times. Jason stated in the dryer months, there would be more water times and then during winter, the lines are winterized.
- Joyce asked to be alerted before the crew comes out to her house.
- Homeowner asked who was on the Board. Board Members proceeded to introduce themselves.
- Johsua asked about moles in the space between the 2<sup>nd</sup> and 3<sup>rd</sup> building. There are lots of holes. Jason advised it is likely armadillos.
- Homeowner asked about ant piles. Jason stated they would never go away. But he would put poison down.
- Homeowner stated since the pine was put down, there have been an increase in large roaches. Jason stated pine straw is what is put down for all his properties. Jason advised personal pest control to be done for each unit with issues. Jason stated that if those who do not like pine straw, maybe another option could be available. Ruth stated this should be a Boar decision.
- Ruts were brought up to Jason and possibly the grass was cut to short. Jason said he could raise the blades up a notch.
- Matt stated we are going to start catching rain. Matt advised sending over pictures of the markings to Magnolia. Lawn care has to cut at some point. Grass Inc is going to do their absolute best. If there are ruts, we need to know about it.
- Matt informed homeowners Quorum was almost done being verified
- Magnolia asked if there were any other proxies
- Matt explained Magnolia was verifying proxies and cross checking with the Aged Owner Balance and that no one was more than 30 days behind in assessments. Ruth advised it was 10 days. Matt stated they do not consider later until 30 days. Matt advised if they went by the 10 days rule, Quorum will never be met. Matt advised that Magnolia is verifying. For the purposes of this meeting, 30 days will be used. Matt stated there would be zero participation if we went by 10 days. Matt stated everyone had an equal opportunity to vote. Matt and Ruth exchanged further dialogue.
- Matt stated there will be 48 people taken out if the 10 day guideline was followed. Matt stated it is not acceptable to be 11 days late on your dues. There is a three-person Board and no other

volunteers were present at the time the Board was elected. Matt stated he understands the issues and the issues that need to be focused on are the financial health of the HOA.

- Matt stated for the purpose of quorum, anyone who is 30 days and over will be considered ineligible to contribute to quorum. Joyce Laporte and Joshua Chaussee stated they wanted to follow the by-laws regarding quorum.
- Homeowner stated in the real world 30 days is a common outstanding and asked to move on and this is why we are behind.
- If the 10-day rule is applied, everyone will go home and a board member would be removed based on that.
- Joyce stated we cannot pick and choose the rules and regulations.
- Matt stated the move attempting to be made will only hurt.
- Ruth stated the quorum should be changed and Matt agreed.
- Matt stated the next move is to give Magnolia 30 minutes to start eliminating those past 10 days from the list
- Homeowner stated every meeting for the last 2 years has been a fiasco and we need to move on.
- Homeowner stated the board has discretion and that is why there is a board.
- Matt read 3.2 from the Governing Documents.
- Homeowner asked why we cannot move on. Matt stated we cannot until the quorum is achieved.
- Joshua stated the latest regarding late fees was \$1,500 in late fee income.
- Homeowner stated a lot of owners are confused on where to pay their monthly assessments.
- Joshua stated per the last statement from Magnolia, there are 13/112 that are more than \$400 late and that is more than 3 months.
- Homeowners started their own discussion amongst one another.
- Matt stated he could not find what Ruth quoted from the governing documents.
- Joyce stated had there been a meeting prior to this meeting, it could have been hashed out.
- Matt stated we are not showing up to a meeting to talk about a meeting. And we are going to follow the bylaws and not meet in someone else's kitchen to conduct business.
- Joyce stated serving on a three member Board and they are in desperate need for more members.
- Matt stated for the purpose of this meeting, they will proceed with the 30-day mark for past due assessments. Matt asked if there was an objection from the Board, there was none.
- Matt asked Joyce to run through the 2022 Income vs. Expense Statement and summary of operations, move into the 2023 budget and where the HOA is currently at.
- Joyce said she was not informed she needed to have this information. Matt informed her she was the treasurer. And Joyce stated she was unaware that Matt would be attending and was under the impression Magnolia would deliver the financial report.
- Matt informed Joyce she needed to deliver the financial report as it was on the agenda for 30 days. Matt offered her the financial paperwork to start and then offered to deliver the report.
- Matt went over the financials. Started with the Balance Sheet for 2022. The amount is \$104,205 in the bank. Looking into the 2022 Income Statement, \$194,197.93 was collected in dues. \$189,000 was spent in expenses.

- Gen Maint and Repairs was one account that was overspent. Matt deferred to Joyce for an explanation on how the current Board has made strong effort to eliminate a lot of those expenses. Matt continued and explained the difference between the general assessment and the specific assessment. The board has decided if it not a general assessment item, HOA money will not be spent. This was a large area that needed to be improved. If it was not collected for, it will not be paid for by the HOA. Unless a specific assessment is applied. Matt stated it is working pretty well so far.
- General assessments create the operating budget.
- Question was asked about the stop signs and why we did not go with the Parish. HOA spent the money on the nicer signs.
- There was a \$7k of surplus last year so the overspending on the signs did not really hurt the association.
- Homeowner inquired about the paying of his dues and it being applied to someone else's account. Ruth was able to answer and explained the notice that went out to homeowners had an example of a lot number and homeowners started paying to that lot number.
- Matt stated in summary, 2022 was a good year financially. Late fee revenue helps and the actual amount of assessments collected was more than expected by \$5k.
- Ruth asked about the maintenance. She inquired about when this decision was made. She brought up some invoices that were paid out for General Maint and repair after the budget was made. Matt stated in the meeting where the budget was ratified, it was decided to lower the amount of money that would be spent for General Maint and Repair. The meeting date for the budget ratification was November 17, 2022. A lot of that work was approved prior to the ratification.
- Ruth brought up the homeowners attending Board meetings so they can understand the conversations. And for the homeowners to understand the conversations
- Matt noted the headway with putting money in capital and reserve accounts. Matt stated \$3k went into each account last year. Which is an average of about \$250/month. Needs to be determined if that number is adequate because it will not add up quickly. Matt asked if anyone had any questions about 2022 financials and where the money went.
- Homeowner asked if that information is sent out? Matt stated that it is sent out monthly, and it is posted on the homeowner portal.
- Matt stated help is appreciated. If mistakes are found and problems are fixed, we need to be diligent about keeping up with our affairs, so mistakes don't happen.
- Moving into 2023 and starting with March and the expectations of the year. Ruth inquired about Presto-X and a refund, Matt said he was unsure. Magnolia to follow up with Presto-X. Matt explained this is why the role of treasurer is so important and why all invoices should be reviewed.
- Matt explained there are now two approvers for invoices, President, and Treasurer.
- As of March 31, 2023, there is \$108,182.42 in assets. Divided up between a checking account, normal reserve account, and capital reserve account. Normal reserves = emergency money.
- Capital Reserves: \$29,789.69 is the money anticipated to replace roofs, fresh paint, etc next go around.
- Matt explained how the HOA arrived at those numbers. Matt said the budgeted amount for insurance is not even close to what was spent.

- Board is following a strict procedure with obtaining vendors.
- Income vs Expense Statement: \$22,946 below where the HOA budget to be with respect to assessment income. This is credited to the dues increase and the large delinquencies. \$450 was collected in violation fines. Magnolia and the Board are diligent with screening the violations. Magnolia gave an example of the type of violation that would not be fined for. The board is using it's discretion to eliminate the "petty" violations".
- Homeowner inquired about the parking situation. Matt explained there is parking in your personal garage and on the driveway. Snowy Egret is a big issue with on street parking.
- Joshua stated someone was upset because emergency services was called and the ambulance was unable to get to the person's home.
- Wrapping up 2023 Financials, Gen Main & Repairs, everything will fall into it (bushes, common area, etc). Matt stated this will be an ongoing conversation. The Board is not going to spend money that is earmarked to something else. The Board is going to heavily rely on the specific assessment applied to the homeowner.
- Ruth asked about the \$20,000 budgeted for GM and Repairs, Matt corrected her and said it was trimmed down to \$5,000.
- Anyone that had termite traps stolen, let Magnolia know.
- Matt gave the contact information for Magnolia to a new homeowner.
- Ruth inquired about the WM contract. Contract is still only capturing half of the homes vs all of them. Magnolia explained they reached out to the rep and could not get in touch with him. Meeting will try to be established. Ruth expressed concern over they could come back. Matt spoke there was a trash recovery line item a year ago. That money not used was rolled into a reserve account.
- \$19,600 is what is being paid for the pressure washing this year and to keep an eye out of that communication.
- Matt moved into Q&A session
- Homeowner asked a question about insurance. Matt stated roof damage should be covered in each owner's HO3 policy.
- Homeowner thought the exterior is covered by the HOA insurance. Beginning of 2022, an amendment went into effect for Article 8 and required each homeowner to take out an HO3 policy. Which is why the monthly dues went down considerably.
- Homeowner asked about a rental cap- Matt informed him the attorney drafted the amendment paperwork for the cap. There will be a vote soon. Ruth asked if there would be a meeting to go over the amendment. Matt stated this is just to cap the rentals. Matt stated they are holding off on lease restrictions and what they could even do.
- Homeowner had an idea to create a FAQ document to hand to the homeowners. Homeowner stated the Board of Directors needs help. Mention possible section in the newsletter. General conversation between board members.
- Homeowner wanted to offer a standing ovation to those who handled the insurance dealing and the board is doing a great job. Homeowners need to appreciate the Boards. It is a thankless job. Board members to Board members need to speak kindly to each other and she appreciates all of the Board.
- Homeowner stated the owners need to help keep the Board members accountable.

- Matt stated 36 people qualifying for quorum. There have been three meetings in a row with a quorum. Josh stated the first three meetings before that, there was no quorum.
- Ruth attributed this to amendments and insurance changes.
- Election process began
- Magnolia confirmed everyone has a ballot
- Magnolia asked everyone on the ballot to introduce themselves.
- Nominees spoke if they were present on their reason for running.
- Nominees that were not present, Magnolia read their bios to those present
- For the sake of clarity, Josh and Joyce have another term remaining.
- Opened the floor for other nominations, there were none.
- Ruth offered to answer any questions if the Board needed assistance.
- Ballots were collected

Meeting Adjourned: 7:42pm