

Mount Shaddai Homeowner's Association, Inc.

Bob Liniger, Secretary
64 Top Lane
Aquone, NC 28781
828/321-5939

November 1, 1999

Minutes -- 1999 Annual Meeting

Call to Order

The meeting, held at the home of Jim and Sandra (Cookie) Godsey, 36 Maplewood Drive, El-Shaddai, Aquone, NC 28781, was called to order by President Torrey Johnson on Saturday, October 16, 1999, at 2:20 p.m.

Attendance/Proxies

A total of 14 voting members were present and proxies representing a quorum were received.

Reports by Officers

Chair suggesting dispensing with reading of 1998 minutes. Motion made to dispense. Motion carried.

Finance report presented by Roger Mays, Treasurer. Motion to approve as read. There was some discussion about collections, which were reported to be good. Motion to approve finance report carried.

Torrey Johnson thanked the Godsey's for the gracious hospitality and the fine meal. He also mentioned that all work on roads and water was done well and expressed appreciation for Bob's work.

Old Business

Road Maintenance

Jim Solesbee, who was present as a guest, continues to do an excellent job of road maintenance for us. No problems or exceptional items were reported. The Whispering Springs Homeowner's Association has continued to contribute to the "Main Street" maintenance.

Water System

Work continues on the planned improvements to the water system. No major problems were reported. Collections on fees and on the special assessment are on schedule. It was moved and carried that Bob Liniger be given a budget of \$25,000 for the complete job.

Delinquent Accounts

We have only a few members with seriously delinquent accounts. After discussion, it was moved and passed that we take stronger collection action. We plan to notify those seriously delinquent that they will lose their water rights, may have their bad debt reported to a credit bureau and may have legal action taken against them.

By Law Modifications

We always have a problem getting a quorum. It was moved and passed that a quorum be defined as a majority of those members (and proxies) present at the time of the meeting, if this is proper. Torrey Johnson agreed to follow up on this proposal.

New Business

Road Sharing

Two neighboring landowners, Lynn Jones and Jack Hunnicutt, were guests at the director's meeting which preceded the regular meeting. They hope to divide their 11-acre plot into 8 or 9 lots and would like for some of the lots to connect to our roads. We requested that they provide us with a plat for the proposed lots and a field trip to the property. It was moved and passed that we not grant approval without a full review by the officers and approval by the members.

Fees for 2000

It was moved and voted that fees remain unchanged for 2000.

Directors

The following members were elected as directors:

Stan Clemens
Jim Godsey
Bob Liniger
Elmo Neff

Chuck Creekmore
Torrey Johnson
Roger Mays

Tom McClean

2000 Meeting

The 2000 meeting will be held on Saturday, October 21, 2000 at the Nantahala Community Center. We plan to have a potluck dinner before the meeting again, as the dinner at the Godsey's was such a success.

Adjournment

The meeting was adjourned at 4:30PM.

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Status Recap as of September 30, 1999

Road Maintenance

The roads are in good shape generally. The major roads have been graded, and we will be adding gravel, where needed, soon. Jim Solesbee has purchased a road grader and a backhoe. He plans to add more equipment, if needed. A new culvert was installed at the Lake Vista entrance and many ditches have been cleaned to improve water flow. We have mowed more than usual this year and have made a particular effort to keep the meadow attractive.

Whispering Springs contributed \$1080.00 in 1998 and we expect to receive a similar amount this year as their contribution to the maintenance of the main roads that both associations use. The Brubakers and the Manns in El-Shaddai I paid us the normal road maintenance fee for 1998 and 1999. We thank them for being such good neighbors.

Water System

Project #1 -- Well Head -- The pump and treatment equipment has worked properly. We replaced the pump controller and the tank float switch to insure reliable operation.

Project #2 -- Tank system -- The engineering study has proceeded more slowly than anticipated. The tank lot and new pipe right of way have been surveyed. The engineers have promised to have the plans and specs for the new tank available for the annual meeting.

Project #3 -- Pressure reducing valves (PRV's) have been installed at all required points. Two fire hydrant/ flush valves have been installed and a third hydrant is planned. The entire piping system and isolation valves have been electronically located and documented. Some pipe has been upgraded. We will have detailed documentation available at the meeting.

Operation -- The system has functioned properly most of the time. We have located and repaired several leaks and have upgraded some valves, etc.

Testing -- Our well operator resigned last December without notice. We learned that he did not perform many of the state-required tests and were required to pay fines and publish notices of non-compliance. We are now doing all required tests to the best of our ability. We will need a new certified well operator, but do not have one yet. They are in short supply. Details and test results will be available at the meeting.

Financial Reports

Our collections have been good, in general, and we have money available for water improvements. We will not be able to accurately estimate our needs for the water tank until we receive the final plans from the engineers. We hope to have more detailed information available at the meeting. Our financial reports will be available then, also.

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June 16, 1999

Dear Member(s):

As you know, the MSHA fees are for a calendar year. Usually, I prepare the annual statements in January but I was not able to do so this year because of family commitments. The enclosed statement is for calendar 1999, and is due when received. Thanks for bearing with me and for your cooperation. Some items of interest follow:

Account Audit

We have obtained a recorded property report from Macon County, and have compared the official county records to those on our files. Several changes were noted, and I have included notes with the statements where appropriate. Torrey Johnson has performed much of the auditing work. Thanks, Torrey.

Roads

Jim Solesbee has done an excellent job of maintaining our roads with his grader. As I write this letter, the roads have a little erosion from our recent heavy rains. Jim is repairing the grader and will soon have them in top shape again. He is also doing the mowing and landscaping work. We plan to mow more often this year and will landscape as much as possible, given our limited budget.

Water System

The water system has been generally reliable. We have completed a survey designed to locate all of the association pipes, valves and regulators. We have mapped over 15,000 feet of water mains and have located 37 main valves. The system is bigger than we thought!

The engineers have surveyed our reservoir lot and are completing plans for the installation of our new tank. This project seems to be moving at mountain speed, but progress is being made. Two fire hydrants and some upgraded pipe have been installed. We are making progress.

The NC Department of Environmental Regulation has notified us that most of the required water quality tests, other than routine monthly bacteriological tests, have never been completed. This situation came to light after our well operator resigned without notice last December. I am acting as well operator for the time being, and have taken all required samples and have submitted them to the testing lab. All tests to date have confirmed that the water quality is excellent. I do not believe that we need to be concerned about the quality of our water. We do have to adhere to the state mandated testing requirements, and we plan to do so.

Annual Meeting

The 1999 Annual Meeting will be in El-Shaddai!!! For the first time ever, the members voted to hold the meeting in North Carolina. Jim and Cookie Godsey, who are well known for their hospitality, will host the meeting in their new home. The meeting will start at 2:00 PM on Saturday, October 16, 1999. You will receive a meeting package with the details in September. North Carolina is at it's most beautiful in October. Please plan to attend.



Bob Liniger, Secretary

Torrey Johnson, President
4801 SE 17th Street
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Elmo Neff, Vice President
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1999 Fee Schedule

The Mount Shaddai Homeowner's Association maintains the El-Shaddai II and III roads and water supply using funds paid by the members as annual fees. Every property owner is a member of the association, as specified in the by-laws. Each lot, except for developer's and association lots, has one vote at the annual meeting. The elected officers (unpaid) guide routine operations. We have no paid employees at this time. Current fees are:

Lot With No Water Rights

A lot with no right to connect to the water system is charged:

Road Maintenance Fee	\$97.00	
Administrative Fee (Postage, Office Supplies, etc)	\$12.00	
Total		<u>\$109.00</u>

Lot With Water Rights

A lot with the right to connect to the water system is charged:

Road Maintenance Fee	\$97.00	
Administrative Fee (Postage, Office Supplies, etc)	\$12.00	
Water System Maintenance Fee (To keep system operational)	\$72.00	
Total		<u>\$181.00</u>

Lot Using Water

A lot with a house using water is charged:

Road Maintenance Fee	\$97.00	
Administrative Fee (Postage, Office Supplies, etc)	\$12.00	
Water System Maintenance Fee (To keep system operational)	\$72.00	
Water Usage Fee	\$108.00	
Total		<u>\$289.00</u>

Other Fees

A few special fees have been authorized. They are:

A lot owner with no water rights may request that the lot be allowed connection to the system. If water is available, a one-time fee is charged. Thereafter, the lot pays the regular annual fees.

Water Rights Purchase Fee (One Time)	\$2,400.00
Special Piping Fee (Per Foot)	\$7.50

If a statement is not paid promptly, a \$2.00 fee per reminder is added on to cover the cost of billing.

If a past due balance remains at the end of a calendar year, a ten (10) percent interest late charge is added to the past due balance.

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