

STERLING GATE ANNUAL MEETING

Date | time 5/15/2023 6:30 PM | Location Clubhouse

1. CALL TO ORDER @ 6:33pm

- a. Howard Jones, Steve Lund, Sally Hart, Joshua Browning, and Scott Machovec – board at time of meeting
- b. Selective Management—Casie Jarman [CJ@Selectivemgmt.com | 205-624-3586 | 205-419-0047 call/text]

2. FINANCIALS / CCR

- a. YTD as of 4/30/2023: SG Operating: \$66,883.20 SG Reserves: \$5,035.34 SGSTC Operating: \$5,460.71
 - i. Total Assets: \$77,379.25
- b. YTD as of 5/15/2023: SG Operating: \$72,391.60 SG Reserves: \$5,035.34 SGSTC Operating: \$5,110.71
 - i. Total Assets: \$82,537.65
- c. Delinquencies-
 - i. \$46,260.30 due to HOA as of 4/30/2023
 1. Current Year: \$20,115.31
 2. Prior Years: \$22,512.50
 3. Compliance fines, legal and other fees: \$3,632.49
 - ii. \$45,232.08 due to HOA as of 5/15/2023
 1. Current Year: \$19,087.09
 2. Prior Years: \$22,512.50
 3. Compliance fines, legal and other fees: \$3,632.49
- d. 2022/2023 Budget Review covered by Steven Lund
- e. 2023/2024 Budget Review covered by Steven Lund
 - i. Water taxes are up to 7.5% at city level which is why we increased the amount.
 - ii. Taxes at the city level also went up to 10%
- f. CCR
 - i. April- 56 Violations: Storage, Disabled vehicles, Weeds, Mowing, Landscape Beds, Window Frames Rotting.
 - ii. FYTD: 195 homes have been in violation of one or more Covenants.

3. HOA BUSINESS

- a. 2022/2023 Accomplishments – Scott Machovec
- b. HOA Projects / Maintenance Items – Scott Machovec and Sally Hart
 - i. Street Sign & Posts have been almost completed. We worked with Landon's Mailbox Services to complete part of the work but will be using a different contractor to have it completed.
 - ii. Cameras / Access working
 - iii. New Refrigerator was put into the clubhouse.
 - iv. Gravel High Grove Walking Trail (Quotes received.)
 - v. Gazebo at Sterling Gate near the Thompson Road entrance- removed due to the damage to it.
 - vi. Pressure wash – playground, sidewalk, and pool deck
 - vii. Lock on the pool gate replaced and is working for this pool season.
 - viii. Beavers – Cedar Grove/High Grove - 1 caught – no longer seems to be an issue.
 - ix. Debris removal (Victoria Station)
 - x. Victoria Station drainage under walking trail
 - xi. Re-landscape CG entrance (quotes coming)
 - xii. Resurface tennis courts (1/2 tennis/basketball/shuffle board/pickleball?) (on hold)

xiii. Tennis court lighting repaired (quote coming for LED conversion)

xiv. We are looking into opening a vote in the neighborhood to update the covenants to add the following:

1. Adding back the 10% limit on increasing HOA dues each year
2. Limiting the number of rentals allowed in the neighborhood

c. Swim and Tennis Club Information

d. Social Updates

- i. We are looking at dates this summer for a Neighborhood Wide Yard Sale – be on the lookout for an email/notice about dates to vote on for this to occur!
- ii. Christmas Party, December 11, 2023, 6-8pm/ *Santa and Mrs. Claus will be there again!*

e. Resident Q&A

- i. Attached below for questions asked prior to meeting.
- ii. Questions/concerns brought during meeting.
 1. Evergreens on High Grove – they are not doing well, can they be revived or replaced? Magnolias look great.
 2. Weeds and fire ants at High Grove entrance – HLL is working to weed it back out.
 3. Lights are out on the brick signs at High Grove entrance – we were not aware and will now work to get those working again.
 4. High Grove white fence is black and dirty again – we were not aware and will work to get it cleaned.
 5. Can we get new container for the dog clean up stands where there are ones missing – yes, were not aware and will work to get a new one
 6. Will there be a track around the new pond in the Enclave – we do not know – that's still in the developers hands
 7. Asked if we could put signs up about this being an HOA neighborhood where covenants are enforced – we will work on it.
 8. Could we connect High Grove to Sterling Gate by a walking trail since we can't do a road? We will investigate the cost of that.
 9. Sterling Gate @ Thompson Road side, there are lights being taken out of the ground by the red tip bush line – we were not aware and will investigate it.

4. ANNOUNCEMENT OF NEW BOARD MEMBERS

- a. Two new board members serving 3-year terms are Steven Lund and Ben Noe.

5. ADJOURN

- a. 7:53 P.M. With no further questions or concerns, meeting adjourned.

RESIDENT Q & A

Why doesn't the HOA notify us when utility work is being done? 9 times out of 10, the HOA isn't even notified when utility work is being done. There is a 15+ foot utility easement at the front of every single lot within Sterling Gate. By acceptance of your deed, you agreed to allow all utility work on that easement and the city does not have to provide any further notice.

What am I paying HOA dues for? By acceptance of the deed to your home, you agreed to abide by the Covenants of Sterling Gate; that includes paying annual assessments. What your dues pays for is itemized in the Covenants as well: HOA insurance, Common Area Landscaping, Signage, Power, Water/Irrigation, Unscheduled maintenance (irrigation breaking, replacement of signage, etc., tree removal...), HOA Management, and Property taxes. Residents that are members of the Swim and Tennis Club pay for the same items, plus upkeep of the pools and courts.

Why am I paying for the Swim and Tennis Club when I'm not a member? You're not. Like many clubs that began as private clubs, Sterling Gate Swim and Tennis Club is not an HOA asset and therefore is not mandatory for all residents to be a part of. Residents that choose to be a member pay an additional \$350 per year to use the club facilities. Those

funds cover the cost of maintenance and upkeep of the club grounds, the pools, tennis courts, and playground. Non members' dues are kept separate from general HOA operating funds.

Why is the HOA paying to cut the large field and for insurance on it, but not cutting next to 235VS? The HOA is paying to have the large field cut because the HOA has a use easement agreement with the property owner (the Developer) which indicates the HOA is responsible for maintenance. Across from your home, pictured below, is an access to point to the HOA walking trail, which is maintained. Within the last 6 months, drainage was repaired/ replaced in this area as it was phase 1 of the drainage project. The 15ft. utility easement at the front of this trail entrance is maintained and cut regularly. The bulk of the trail has dense foliage as it's supposed to be a natural walking trail. The HOA is required to have 3 policies—General Liability, Directors and Officers, and Property. This costs the Association \$4,468 annually, and \$1,500 of that is the responsibility of the Swim and Tennis Club. The insurance policies cover the community in its entirety, so it wouldn't cost any different if we didn't have that parcel included on the policy. As for the High Grove entrance—we are working on a plan to re-do the High Grove and Cedar Grove entrances. The landscapers are slowly, but surely removing the juniper shrubbery that is dying and/or dead without destroying the entrance altogether.



What is the HOA doing or going to do about short-term rentals, such as Air BnB's? This has been a topic of discussion for the Board recently. In order to change the Covenants, we will have to have a vote of the entire community and reach a quorum (number of Owners eligible to vote); if quorum is not reached, the vote is void. If enough residents feel strongly about this, the Board will be more than willing to put out the vote. As for now, Air BnB's are considered a business. They must have a business license through the city of Alabaster.