

Residents file suit against Devaun Park Community Association

By Laura Lewis, Reporter

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Two residents of Devaun Park in Calabash have filed a civil summons against the Devaun Park Community Association, charging it has failed to provide requested financial records and other documents.

Patrick and Karlie Munro filed the action Thursday, June 21, in Brunswick County Superior Court against the Devaun Park Community Association and Community Association Services Inc.

According to a first cause of action in the summons charging failure to maintain records and allow inspection, on or about May 6 the Munros asked to inspect records and books of the Devaun Park Community Association (DPCA) from Community Association Services (CAS), which serves as property manager for DPCA. The Munros asked that they be allowed to examine the records at the CAS office in Southport.

“Defendant CAS failed to timely respond to plaintiffs Munro regarding the records request and responded on May 11, 2016, stating that they would have to seek the permission of the Defendant Devaun,” the lawsuit reads.

On or about May 20, the Munros retained lawyer Beth A. Faleris of Jacksonville “to pursue Defendants Devaun and CAS in order to review the requested documents.”

Faleris also submitted to CAS correspondence requesting examination of the documents, according to the action.

Around May 25, CAS responded that some of the requested documents, but not financial information requested under N.C. General Statute 55A-16-02(b)(2) would be available for review at its Southport office at 10 a.m. June 2.

Faleris subsequently notified CAS the request was for all documents, which CAS confirmed.

When Karlie Munro and Faleris arrived at the CAS office, CAS provided “some, but not all of the records requested,” the lawsuit reads.

The action charges Karlie Munro and Faleris “were not permitted by Defendant CAS to inspect how the records were kept in the normal course of business.”

The lawsuit maintains requested records that were missing from the documents provided by CAS included articles of incorporation and amendments; bylaws and amendments; resolutions adopted by the DPCA board of directors regarding number, classification, qualifications, rights and obligations of directors; minutes of membership meetings and “records of all actions taken by the members without a meeting for the past three years”; minutes and records of actions

taken by board committees and “all annual financial statements showing assets, liabilities, accounts payable and accounts receivable.”

On or about June 8, the document states, Faleris requested additional records that were missing.

“To date, neither Defendant CAS nor Defendant Devaun has responded or provided the missing documentation,” the lawsuit reads.

The action also claims DPCA and CAS have violated state statutes by failing to provide the documents to the Munros.

The lawsuit asks that the defendants be ordered to comply with the Munros’ request at the defendants’ expense.

On a second cause of action, the lawsuit claims the defendants breached their fiduciary duty and only provided monthly balance sheets and minutes from the DPCA board’s open meetings and that the Munros have suffered damages as a result.

“Defendant CAS has failed to provide an accurate accounting of Defendant Devaun expenses and use of homeowner dues and assessments to Plaintiffs Munro and other members of Defendant Devaun; failed to keep the records of the Defendant Devaun at the principal place of business of the Defendant Devaun; and failed to allow Plaintiffs Munro and other members of Defendant Devaun access to requested documents, causing a breach of their fiduciary duty to Plaintiffs Munro and other members within Defendant Devaun,” the lawsuit claims.

The action claims the Munros have suffered damages exceeding \$25,000. It also seeks court and lawyer costs as well as a jury trial.

Laura Lewis is a staff writer for the Beacon.

Reach her at 754-6890 or llewis@brunswickbeacon.com