

Bay Tree Lakes

Property Owners Association

February 13, 2014

The Bay Tree Lakes Property Owner's Association, Inc. Board of Directors monthly meeting was held at the Clubhouse on Thursday, February 13, 2014. The following Board Members were present: Troy Votaw, Clark Valentiner, Jim Crayton, Junior Rideout and Roger Wright. Board Member Junior Rideout was out of town. POA Clerk Tish Herrmann and Property Manager Jim Crayton attended.

President Troy Votaw called the meeting to order at 7:00 pm and welcomed all POA members to the meeting. Clark Valentiner gave the invocation.

President Votaw shared with the POA Members in attendance that anyone that would like to share comments or ask questions must be recognized by the POA Board President and time would be allocated at the end of the meeting for questions/comments.

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Approval of Prior Meeting Minutes: January, 2014 Roger Wright 1st, Jim Crayton 2nd
Unanimous affirmative vote by the board

Approval of Prior Month's Financial Report: January, 2014j(Attached as Exhibit A)
Junior Rideout 1st, Jim Crayton 2nd Unanimous affirmative vote by the board.

Here are our Financials for January 2014:

Operations Checking: \$ 120,967.80

Pool Checking: \$ 38,847.55

Money Market: \$ 55,681.64

Total Monies: \$ 215,496.99

Pool Loan Principal: \$ 388,992.69

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Approval of Property Manager's Report: (Attached as Exhibit B)

Submitted by Jim Crayton, Clark Valentiner 1st, Roger Wright 2nd. Unanimous affirmative vote by the Board

Approval of Clerks Report: (Attached as Exhibit C) Submitted by Tish Hermann
Jim Crayton 1st Roger Wright 2nd Unanimous affirmative vote by the Board

Business & Issues:

- Weather Station/Web Page
 - Board Member Junior Rideout reported the Weather Station is on line and can be viewed from the Bay Tree POA Web Page.
 - Junior encouraged all Bay Tree Property Owners to explore the updated Web Page and provide feedback to the Board.
 - The new page is very dynamic and is evolving to becoming a primary tool in communicating Bay Tree business, community activities, pictures and general information.
- NC Wildlife Commission: We have been advised the Raleigh office of the NCWC is continuing to review our request to privatize the Bay Tree Canals and Horsepen Lake.
 - We will update property owners as we receive updated information from the NCWC
- Bladen County Tax Re-evaluation: We continue to ask for the support of all Bay Tree Property Owners in gathering factual information that may influence tax values and position ourselves to present this data to the Bladen County Tax Administrator in a factual, united and compelling manner.
- Contract for Cabana renovation: Board member Jim Crayton reported that three bids have been received for renovating the Cabana.
 - Board member Jim Crayton made a motion to accept the bid (\$216,500) received from Infinity Construction Group, Inc. located in Swansboro, NC.

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- Infinity is the construction firm recommended by the project architect.
 - Infinity was the low bidder for the Cabana renovation project.
- Motion seconded by Board Member Clark Valentiner and approved unanimously by the board.
 - **PLEASE see below minutes from a follow up meeting with Infinity Construction Group, Inc. for more details.**
- Pool Update/May pool party: Board Member Jim Crayton announced plans to have the pool functional and approved by all Governing Agencies by the end of May.
 - To celebrate the joys of an approved, functional and beautiful pool the POA Board and the Bay Tree Ladies Club are working in concert to sponsor a “Pool Party” on Saturday, May 31, 2014.
 - The “Carolina Breakers” a popular North Carolina band will be playing for dancing and our enjoyment.
 - **More detailed information will be posted on the website as the Pool Party date gets a bit closer.**

POA Board Attorney (s) Requirements:

- Board Member Roger Wright shared the following update concerning the local POA Board attorney required for day to day issues.
 - **The POA Board has asked local attorney Cynthia A. Singletary** (Elizabethtown, NC) to work with the POA Board to collect delinquent dues and other day to day requirements.
 - Over the next few weeks Attorney Singletary will be sending letters to properties owners with delinquent Bay Tree POA dues. The letters will advise:
 - Property Owners with delinquent dues have 15 days from the mailing of the notice to pay the amount assessed by Bay Tree Lakes Property Owners Association.
 - If a Property Owner does not pay the delinquent dues within the specified time frame the Bay Tree Property Owners Association will seek attorney fees and court cost in addition to the outstanding dues.
 - If the delinquent dues are not paid or arrangements made with the Bay Tree Property Owners Association within 15 days of receiving the notice, the association will move forward in filing a Claim of Lien upon the property with the Clerk of Superior Court of Bladen County.

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- Additionally, pursuant to the Restrictive Covenants of Bay Tree Lakes Property Owners Association, your privileges are also suspended to the enjoyment of rights allowed by being a member of the association, to include, but not limited to the right to attend meetings, vote, or enjoy the common properties of Bay Tree Lakes for a period of 30 days.
- **PLEASE, if you have delinquent dues pay the dues or contact Board Member Roger Wright to make arrangements to pay delinquent dues in installments.**
 - **PLEASE KNOW WE DO NOT WANT TO PURSUE DUES THROUGH THE COURT SYSTEM HOWEVER WE FEEL THAT WE MUST TAKE THE NECESSARY ACTION TO COLLECT THE DELINQUENT DUES.**
- **POA Expertise:** As agreed at our January, 2014 monthly board meeting the POA Board is negotiating with the Developer to eliminate the one vote majority rule now enjoyed by the Developer.
 - **Members of the POA Board** have met with the Developer on two occasions to discuss the one vote majority rule.
 - The discussions have been:
 - Very professional
 - Very open and specific
 - This negotiation is starting out as most negotiations do meaning both parties have different goals and expectations for the outcome.
 - In specific terms there is really nothing to report at this stage.
 - However, in general terms some interesting issues have come up that remind us of the cost and risk of doing business and that some of the cost and risk now owned by the Developer could very well become liabilities and risk for the Bay Tree Property Owners Association.
 - Developer Contributions that may become our liability, risk/
 - Road ownership
 - Bridge and other potential liabilities:
 - **What advantages does Bay Tree Property Owners Association gain by ownership of the roads, bridges, right of ways, etc?**
 - Gate House:
 - **Owned by the Developer and used by the Bay Tree Property Owners at no cost.**
 - **What is the advantage of buying this facility from the Developer?**

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- Sewer System:
 - **Ownership, responsibility and liability/risk by someone other than the Developer appears to make an already complex system even more complicated.**
 - Collection area for yard debris:
 - **This area is owned and managed by the Developer and used by Property Owners at no cost. To continue this service the Property Owners would need to purchase the property and pay for the service required to keep it open.**

- **The Board believes it is very important to identify and quantify the potential cost, risk and liability as we move forward with our goal of doing away with the one vote majority vote currently enjoyed by the Developer.**

- Property Manager Position (Discussion)
 - As discussed in previous POA Board meetings the job description for the Bay Tree POA Property Manager has been updated.
 - The most significant change has to do with elevating the position to more of a management role.
 - The property manager will assist the POA Board with planning and budgeting.
 - Short term planning
 - Long term planning
 - The property manager will have responsibility for monitoring adherence to all rules and regulation.
 - To take corrective action according to board policy.
 - The property manager will have responsibility for managing all POA Staff in carrying out their duties.
 - The goal is to position the property manager to be proactive and visionary as opposed to reactionary.
 - Motion made by Board Member Roger Wright to request our current property Manger---Jim Crayton to accept the updated job description as his terms of reference starting March 1, 2014.
 - To change Jim Crayton's compensation to:
 - \$800 per month salary
 - \$200 per month expenses

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- Vehicle/gas
 - Etc.
 - Prior to March 1, the Board will review the \$800 salary and \$200 expenses with our accountant to confirm this arrangement represents best practices.
 - If it does not we adjust based on recommendations from our Accountant.
 - **It is worth noting this arrangement will cost us \$12,000 per year plus assistant property manager costs vs.**
 - 2011----\$20,676.
 - 2012----\$20,102.
 - **The motion was seconded by Board Member Clark Valentiner.**
 - **Board members Votaw, Valentiner, Rideout and Wright voted for the motion.**
 - **Board Member Crayton did not vote.**
- Resignation Board Member Jim Crayton:
 - In response to the above motion and approved vote Board Member Crayton submitted his resignation as a Bay Tree Lakes POA Board Member.
 - Date of resignation: February 13, 2014
 - Date to terminate service: On or before March 9, 2014.
 - Motion to accept Board Member Jim Crayton's resignation was made by Roger Wright and seconded by Board Member Clark Valentiner.
 - Board Members: Votaw, Valentiner, Rideout, Wright voted to accept the resignation of Board Member Jim Crayton.
 - Board Member Crayton did not vote.

1.

A motion was made by Jim Crayton and Seconded by Clark Valentiner to adjourn. The affirmative vote by the board was unanimous.

Minutes submitted by:
 Roger B. Wright
 POA Board Secretary

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Bay Tree Lakes Property Owners Association
Profit & Loss
January 2014

	Total
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Income	
Non-Profit Income	
Club Card	50.00
Dues	31,917.34
Gate Access	175.00
Pool	12,972.00
Rental	800.00
Total Non-Profit Income	45,914.34
Total Income	\$45,914.34
Expenses	
Building cleaning	300.00
Cost of Labor	
Cost of Labor	
Asst Property Manager - JC	175.00
Clerk	600.00
Property Manager	465.00
Total Cost of Labor	1,240.00
Total Cost of Labor	1,240.00
Funds transfer	
Interest Paid Pool	1,273.84
Principal Paid Pool	2,738.87
Total Funds transfer	4,012.71
Insurance	10,070.00
Office Expenses	
Bank Charges	58.03
Internet	72.21
Quick Books Online	26.95
Telephone	203.58

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Total Office Expenses	360.77
Repair & Maintenance	
Gate	102.53
Pest Control	685.00
Pool	11,857.00
Total Repair & Maintenance	12,644.53
Trailer storage facility	83.00
Utilities	
Electricity	1,073.82
Sewer	80.00
Water	99.93
Total Utilities	1,253.75
Total Expenses	\$29,964.76
Net Operating Income	\$15,949.58
Net Income	\$15,949.58

Tuesday, Feb 04, 2014 07:44:34 PM PST GMT-5 - Cash Basis

This report was created using QuickBooks Online.

Exhibit "B"
Property Mgrs. Report

Thru Feb. 13, 2014

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1. 3 windshield stickers and 3 gate cards sold in last month
2. Worked with Jason Miller at Star on new look for web site. It is now up and running. All info from previous site is included along with new photos and features. Still need more photos and ideas for improving the site.
3. John and I finished interviews with contractors (4 total) on cabana project and have received bids from three. One withdrew from consideration. All say they can complete the project in 75-90 days. Plans are under review by Bladen Co. Inspections. Discussion on this will follow in business portion of meeting.
4. We have had serious problems with the gate in the past week. Work was delayed due to parts problems but the gates are now working properly. We completed the prior project to rebuild the exit gate and installed a new gear reducer in the entrance gate. Mechanically, both gates are now in good condition. Have not received final bill yet but expect it to be in the \$4,300 range.
5. Still waiting on the weather for Street Repair work to begin.
6. Completed office reorganization project at the gate house and much more efficiency now.
7. Installed two LED floodlights as a test. Incandescent lights are burning out way too fast.

Exhibit "C"

From the Clerk

February 2014

January 31, 2014	Outstanding Dues	\$40,281.14
January 31, 2014	Credit Balance:	\$ 5,387.27

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Lots reported sold January 2014

Buyer Seller	Lot	Home	
Charles Wilson (correction)	320	Harrells, NC	BRY-BE Corp.
James Gregory Corp (new)	600	Raleigh, NC	Lake Creek
Timothy Salzman Carolina II	151	Morrisville, NC	Tomahawk Land
Green River Corp, LLC Foreclosure	105	West Valley City, Ut	Greg Gardner
Stephen Rumbley Company	217	Asheboro, NC	South River Land
Bradford Sedgwick Company	216	Wilmington, NC	South River Land
South River Land Co	934	Elizabethtown, NC	TMW Waterfront, LLC
South River Land Co	935	Elizabethtown, NC	TMW Waterfront, LLC
Awak Finance Company	534	Lumberton, NC	South River Land
Joan Warren Corporation (new)	296	Clinton, NC	Lake Creek
John Urban Company	428	Cary, NC	East Bladen Land

Billable lots: 443.5 Lots

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Special called meeting to sign the contract with Infinity Construction Group, Inc. to renovate the Bay Tree Lake Cabana

February 14, 2014

The Bay Tree POA Board met with Infinity Construction Group, Inc. President, Lisa M. Yates on February 14, to:

- 1. finalize contract discussions**
- 2. Sign the Contract**

A motion was made by Board Member Roger Wright that if we accept the contract (presented to the board by Infinity Construction Group) it would be signed with full understanding from both parties that the “not to exceed cost” would be \$216,500.

The motion was seconded by Board Member Jim Crayton. Board member Votaw, Valentiner, Crayton, Wright voted in favor of the not to exceed cost of \$216,500.

Board member Rideout voted against because of a potential to need to be more flexible with pricing.

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Board Member Jim Crayton made a motion to accept the \$216,500 bid from Infinity Construction Group, Inc. The motion was seconded by Clark Valentiner and unanimously approved by all Board members.

After much discussion with Lisa Yates, President of Infinity Construction Group, Inc. the agreement was signed by POA Board President Troy Votaw and Infinity Construction Group, Inc. President Lisa M. Yates.

Board Member Jim Crayton made a motion that we allocate \$850 to cover the cost of an asbestos inspection of the Cabana. This inspection is required by Bladen County DOI and must be completed with satisfactory results before the construction can commence. The motion was seconded by Board Member Junior Rideout and unanimously supported by all board members.

There being no further business Board Member Clark Valentiner made a motion to adjourn. Motion seconded by Board Member Clark Valentiner and unanimously supported by all board members.

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Special called meeting to appoint a replacement on the board for Jim Crayton.

February 14, 2014

The Bay Tree Lake POA Board met in special session on Friday, February 14, 2014 for the purpose of appointing a replacement on the POA Board for Board Member Jim Crayton who resigned on February 13, 2014. Board Member Jim Crayton resigned his position of POA Board Member because of the potential of conflict of interest between his roles of board member and property manager.

Board Member Jim Crayton (resignation effective in March) made a motion to appoint Brian Wolf as his replacement on the board. The motion was seconded by Board Member Clark Valentiner and passed with a unanimous vote from the board.

There being no further business the meeting was adjourned. Motion by Junior Rideout seconded by Clark Valentiner and unanimously supported by all board members.