

Bay Tree Lakes

Property Owners Association

Board Meeting Minutes

December 11, 2014

The monthly meeting of the Bay Tree Lakes (BTL) Property Owners Association, Inc. (POA) Board of Directors (Board) was held in the Clubhouse on Thursday, December 11, 2014.

All of the Board members were present: Roger Wright, Lee Hauser, Junior Rideout, Clark Valentiner and Brian Wolf. POA Property Manager Jim Crayton, POA Clerk Tish Herrmann and Assistant Secretary Hank Howell also were in attendance. Property owners in attendance were John Shaw, Debbi Kettle, George Starke, Maryellen Robeson, Mick Robeson, Charles Massey, Byron Massey, Donovan Vinson and Les Hawkins.

President Roger Wright called the meeting to order at 7:01 pm and welcomed all POA members to the meeting. He then explained that the Bladen County Sheriff would not be able to attend this meeting, as advertised, due to pressing business elsewhere. But we do expect the Sheriff to attend the January 2015 Board meeting and Mr. Wright encouraged all POA members to attend. Clark Valentiner then provided the invocation.

Approval of Prior Meeting(s) Minutes (November 13 and November 17, 2014):

Motion to approve was made by Lee Hauser, seconded by Junior Rideout. Unanimous affirmative vote by those present. Minutes of the November 13th meeting are posted on the Bay Tree Lakes POA website, www.baytreecommunity.com.

Approval of Prior Month's Financial Report (November 2014): Report was presented by Clark Valentiner and is attached herein as Exhibit B. Motion to approve was made by Junior Rideout, seconded by Lee Hauser. Unanimous affirmative vote by those present was made.

Financials for November 2014:

Operations Checking:	\$ 75,658.85
Pool Checking:	\$ 17,196.04

Money Market:	\$ 55,751.71
Total Monies:	\$ 148,606.60
Pool Loan Principal:	\$ 363,618.41
ADA Contract Principal:	\$ 118,237.19

Mr. Valentiner explained that the ADA Contract Principal remained the same as last month, because no payment was needed since we had made two payments at the beginning of the loan payback period.

POA Clerk's Report (November 2014): Report was presented by Tish Hermann, and is attached herein as Exhibit C. Motion to approve was made by Clark Valentiner, seconded by Junior Rideout. Unanimous affirmative vote by those present. It was noted by Roger Wright that this report provided the number of lots in BTL that are currently being billed, 452.5, and that this number is about 12 higher than it was about a year ago, implying increased revenue for the POA in coming months.

Property Manager's Report (November/December 2014): Report was presented by Jim Crayton and is attached herein as Exhibit D. Motion to approve was made by Clark Valentiner, seconded by Brian Wolf. Unanimous affirmative vote by those present.

Business:

POA Financial Audits. Treasurer Clark Valentiner reported that the auditor is close to completion, only about 2 weeks away. It was noted that this audit will cover the calendar year of 2013, and that the results of an additional audit covering 2014 will be available prior to the POA Annual Meeting next April.

Lot Maintenance Policy. A draft of this proposed policy was provided to the Board members at the November Board meeting, for their review. Mr. Wright suggested that with work now underway on creating a budget for 2015, a vote on this proposed policy be postponed until the Board meeting in January 2015. All members agreed to the postponement.

Positive Facts of BTL on the Web. Brian Wolf explained that he has formed a team to address this endeavor and work is underway. They are pursuing true FACTS and expect to be prepared to present the top 3 or 4 to the Board at the January 2015 meeting.

Benevolence Team Guidelines. Roger Wright heads this team consisting of himself, Cathy Ross and Pat Hawkins. The team has drafted a Benevolence Policy and Mr.

Wright read it to the Board members. It is attached to these minutes as Exhibit E. After a brief discussion, Brian Wolf moved that the document be approved as the policy of the BTL Benevolence Team. After a second by Lee Hauser, the motion was approved unanimously by all members present.

ARC Development. Roger Wright reported that he and Jim Crayton had met that afternoon with Terry Cox, the architect who has agreed to build the framework and procedures for the Architectural Review Committee going forward. His results are expected to be ready by the end of January, 2015. Mr. Wright explained what he expected to be the recommendation from Mr. Cox: a four members committee, and a wall of pictures showing a narrow band of what is acceptable as BTL architecture.

Governance Review Committee (GRC) Report. Lee Hauser provided a very informative Powerpoint presentation of the recommendations of the GRC and the reasoning that led to these recommendations. Included in the presentation was his personal recommendation that the report be sent to our legal representative, Cynthia Singletary, for a legal review before action is taken on these recommendations.

Next Town Hall Meeting. Roger Wright proposed that another Town Hall meeting be held in February, with at least three objectives for information to, and discussion by, the POA membership. One relates to a plan to provide a review of proposed Capital Projects with Costs and probable dues increases associated with each project. A second one relates to a hope to inform POA members of their individual responsibility concerning rules violations recognition and enforcement. A third objective then would be to introduce the Board's plan for improved Future Financial Management. (See the first subject under New Business, below.) It was proposed, with input from the members present, that the meeting be held on a Saturday afternoon, or perhaps after a Saturday morning breakfast. [After the meeting, it was decided that the next Town Hall meeting would be held on Saturday, February 14th, with breakfast to be served by members of the Board, beginning at 9:00 am.]

New Business.

Future Financial Management.

Roger Wright expanded on the need for improved Financial Management for the POA, to be administered by the Board. This concept was first introduced to the POA in his address to the membership at the Annual Meeting of 2014. As the POA continues to grow, so does the need for improved accounting associated with the large amount of income, the large payables, the long term capital commitments, and so on. This could

begin with the acquisition of a computer system dedicated to the process and a part-time financial manager, reporting to the Treasurer, and incorporating the existing Clerk's position. He suggested that the Board members anticipate the auditor's criticism of the POA's existing accounting practices, and prepare to address this issue prior to the 2015 Annual Meeting.

Re-certify Boat Lift Limitations. Efforts to contact the person who did the original certification have been unsuccessful, due to his retirement. Brian Wolf suggested we find some other qualified person and go with it right away due to the need to complete the re-certification before the boating season starts.

Set Annual Meeting Date in 2015. The date for the 2015 Annual Meeting of the POA was agreed to be the second Saturday in April, April 11th, as defined in the By-Laws of the association.

Consider Board Candidates in 2015. Roger Wright reiterated the need to elect three qualified persons to the POA Board at the Annual Meeting next year, and asked that we all encourage good candidates to step up, be elected and serve.

Develop 2015 Operating Budget. Clark Valentiner reported that he and Jim Crayton, the Treasurer and the Property Manager, were developing the 2015 Budget and expected to have a draft available for the Board's planning session scheduled for December 16th.

Develop Capital Budget. Similarly, Roger Wright asked that discussion of this subject be postponed to the next Board meeting, since he planned to expand on the topic at the Board's planning session on December 16th.

Other Business.

POA Membership Mailing. Following a discussion of ways to notify the membership of the date of, and subjects to be covered at, the next Town Hall Meeting, Brian Wolf moved that a mailing of the subject matter be made in January, separate from the normal quarterly mailing of billing statements. This separate mailing would also include a request for POA members to provide the Clerk with their email addresses to facilitate easier communications in the future. Clark Valentiner seconded the motion and it was passed unanimously by all members present.

Consider Automated Billing. Byron Massey spoke from the attendees and asked that the Board consider implementing one or more of the various forms of automated billing and payment available today, including the possible use of credit cards. Clark Valentiner agreed to work with Tish Herrmann and with our bank(s) to determine the feasibility.

There being no further business, a motion to adjourn was made by Lee Hauser, seconded by Brian Wolf, and passed at 8:58 pm.

Respectfully submitted,

Lee Hauser
Secretary

Exhibit A

Bay Tree Lakes
Property Owners Association

Board of Directors Meeting Agenda

December 11, 2014

Call to Order and Welcome Members and Guests	Roger Wright
Invocation	Clark Valentiner
Bladen County Sheriff Introduction	Roger Wright
Approval of Prior Meetings Minutes (November 13 & 17, 2014)	Lee Hauser
Approval of Prior Month's Financial Report (November 2014)	Clark Valentiner
POA Clerk's Report (November 2014)	Tish Herrmann
Property Manager's Report (November/December 2014)	Jim Crayton

Business:

1. POA Financial Audits (2013 & 2014) Clark Valentiner
2. Lot Maintenance Policy Jim Crayton
3. Positive Facts of BTL on the Web Brian Wolf
4. Benevolence Team Guidelines Roger Wright
5. ARC Development Roger Wright
6. Governance Review Committee (GRC) Report Lee Hauser
7. Next Town Hall Meeting Roger Wright

New Business:

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|---|------------------|
| 1. Future Financial Management | Roger Wright |
| 2. Re-certify Boat Lift Limitations | Jim Crayton |
| 3. Set Annual Meeting Date (April 11, 2015) | Roger Wright |
| 4. Consider Board Candidates in 2015 | Roger Wright |
| 5. Develop 2015 Operating Budget | Clark Valentiner |
| 6. Develop Capital Budget | Roger Wright |

Other Business:

POA Member Comments:

- ~ **Please note that POA members that would like to share comments must be recognized by the Presiding Officer.**
- ~ **Please note also that individual comments will be limited to three (3) minutes.**

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Exhibit B

Bay Tree Lakes Property Owners Association **Profit and Loss – November 2014**

	TOTAL
Income	(\$)
Non-Profit Income	
Dues	4,746.42
POA Lot Mowing	250.00
Pool	2,008.00
Rental	400.00
Total Non-Profit Income	7,404.42
Total Income	7,404.42
Expenses	
Building cleaning	750.00
Cost of Labor	
Cost of Labor	
Asst Property Manager – JC	160.00
Certified Pool Operator	100.00
Clerk	600.00
Property Manager	1,000.00
Total Cost of Labor	1,860.00

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Funds transfer	
Interest Paid Pool	1,183.91
Principal Paid Pool	2,828.80
Total Funds transfer	4,012.71
Grounds	
Mowing & cleaning	375.00
Total Grounds	375.00
Office Expenses	
Bank Charges	21.95
Internet	72.69
Postage	119.00
Quick Books Online	26.95
Supplies	96.21
Telephone	298.24
Total Office Expenses	635.04
Repair & Maintenance	
Pool	43.98
Total Repair & Maintenance	43.98
Trailer storage facility	85.00

Utilities	
Electricity	667.16
Sewer	80.00
Water	71.12
Total Utilities	818.28
Total Expenses	8,580.01
Net Operating Income	-1,175.59
Net Income	-1,175.59

Wednesday, Dec 10, 2014 12:11:46 PM PST GMT-5 - Cash Basis

This report was created using QuickBooks Online Plus.

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# **Exhibit C: Clerk's Report**

**From the Clerk**

**December 11, 2014**

November 30, 2014    Outstanding Dues: \$30,573.86

November 30, 2014    Credit Balance:    \$ 990.45

## **Lots reported sold November 2014**

| <b>Buyer</b>          | <b>Lot</b> | <b>Home</b>   | <b>Seller</b> |
|-----------------------|------------|---------------|---------------|
| Darren & Carrie Kelly | 176        | Garner, NC    | John Shaw     |
| Kevin & Tammy Keshler | 173        | Pittsboro, NC | John Floyd    |

Billable Lots 452.5

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## **Exhibit D**

### **Property Manager's Report Nov/Dec 2014**

Issued 4 new gate cards and 10 windshield stickers.  
Replaced two defective cards.

As you will remember we had problems with the gate earlier this month. It turned out the problem was a loose wire coming from the sensor buried in the street that tells the controller when to close the gate. I had a lengthy discussion with the Southern Time repair tech. and his assessment is that the gate is in very good condition. Most of our recent problems were apparently caused by lightning which have now been repaired. He does not think we should replace it at this time. I sent the controller that we removed last month back with him for diagnostic work and possible repair. It may be that the loose wire was also the problem then and the controller may not need repair. I am frustrated with the software and have requested a visit with their sales rep. to discuss replacement cost for the entire system and/or the software as requested but have not heard back yet.

I purchased the community Christmas tree and installed it out front. Roger and I got the lights on and I would like to thank Cathy Ross for her assistance with the other decorations both on the tree and the front door.

I have moved the AED to the kitchen for the winter. I am working on a way to store or mount it and will have a sign shortly to post in the lobby about it's location.

I have requested bids on repairing/replacing the pier at the cabana but don't have any firm numbers yet. Jim Woodruff, who has done work on it before, said he thinks we should also replace the posts since they have been there for 40 plus years. He gave me a very rough estimate of around \$40K to replace the entire pier using treated lumber. He will give us three firm prices. 1) replace deck only w/treated 2)replace deck only with TREX and 3) replace entire structure with treated.

I have been coordinating with Donovan on maintaining the pool over the winter. We are running one pump and that seems to be working well. The water temp is now low enough that we should not have an algae problem

I have worked with the GRC on "Covenants" etc...

I have worked with Roger on the new ARC development

Finally, I have been working with Clark on preparing a budget for the coming year and we are getting close.

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Exhibit E

Bay Tree Benevolence Policy:

1. The purpose of this policy is to convey our support, love and appreciation to surviving members of Bay Tree families when a member of the immediate Bay Tree property owner family/household passes.
2. To accomplish this the Bay Tree Board has designated a \$200.00 fund for the specific purpose of providing a meal or card to convey our concern and sorrow for the loss of a loved one
 - a. Cost of the meal may not exceed \$200.00
 - b. Cost of the meal is based on number of people to be fed and may not require the full \$200.00
 - c. Cost of a card including mailing is not to exceed \$10.00
3. No money from this \$200.00 fund can be spent for any purpose other than:
 - a. Providing a meal as outlined #5 below
 - b. Providing a card as outlined #6 below
4. This \$200.00 fund is perpetual---meaning, the funds spent to provide this service for any one incident will be replenished and the full \$200.00 available and ready for the next incident.
5. To receive this service the following requirements must be met:
 - a. The person passing must be a Bay Tree Property Owner or immediate family member or a family

member living in the home of the Bay Tree Property Owner.

- b. The Benevolence Team Chairman (Roger Wright) must be notified of the death and the requirements for providing a meal.

- i. The Benevolence Team Chairman will be the current POA Board President.

- c. A team of Bay Tree Property Owners must be in a position to deliver the meal.

- i. Practically speaking if a property owner lives in Chicago it is not likely that a team of Bay Tree Property Owners will be available to deliver a meal.

- 6. The Bay Tree Benevolence Team will review all request upon notification and

- a. Confirm the person passing is a Bay Tree Property Owner or immediate family member or a family member living in the home of the Bay Tree Property Owner.

- b. If there is a team of Bay Tree Property Owners available to deliver the meal.

- i. If not, the Benevolence Team will send a card to the surviving family members expressing our concern and sorrow for their loss.

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