

Bay Tree Lakes

Property Owners Association

Board Meeting Minutes

August 18, 2016

The monthly meeting of the Bay Tree Lakes (BTL) Property Owners Association (POA) Board of Directors (Board) was held in the Clubhouse on Thursday, August 18, 2016.

All of the Board members were present: Charles Atkinson, Bob Latham, Billy McGavock, Junior Rideout and Troy Votaw. POA Clerk Tish Herrmann, Property Manager Jim Crayton and Assistant Secretary Hank Howell also were in attendance. Property owners in attendance were Debbi Kettle, George Starke, Todd Karpinski, Tricia Switzer, James Earl Naylor, Tanya Sue Todd and Sonya Smith.

Vice President Troy Votaw called the meeting to order at 7:00 pm and welcomed all POA members to the meeting. He then asked Jim Crayton to provide us with the invocation. (Board members Charles Atkinson and Bob Latham were not present at the start of the meeting.)

Approval of Prior Meeting Minutes (July 21, 2016 and Executive Session July 21, 2016): A motion to approve the minutes of the July monthly meeting, plus the minutes of the Executive Sessions of July 21, 2016, was made by Junior Rideout, seconded by Billy McGavock. Unanimous affirmative vote by those present. The minutes of the monthly meeting will be posted on the BTL POA website, www.baytreecommunity.com.

Approval of Prior Month's Financial Report (July 2016): Billy McGavock presented the report for July which is attached herein as Exhibit B. A motion to approve that report was made by Junior Rideout, seconded by Billy McGavock. Unanimous affirmative vote by those present.

Financials as of July 31 , 2016:

Operations Checking:	\$102,772.06	
Second Checking	\$ 27,418.34	
Pool Checking:	\$ 25,631.23	
Money Market:	\$ 55,890.39	(as of July 27, 2016)
Total Monies:	\$211,712.02	

Pool Loan Principal:	\$304,639.01	(as of July 15, 2016)
ADA Contract Principal:	\$101,360.65	(as of July 08, 2016)

POA Clerk's Report (July 2016): The report was presented by Tish Herrmann, and is attached herein as Exhibit C. Motion to approve the Clerk's report was made by Junior Rideout, seconded by Billy McGavock. Unanimous affirmative vote by those present.

Ms. Herrmann then informed the Board that of the thirteen property owners to whom delinquent notices were sent at the beginning of this quarter, seven had since paid in full and three had made partial payments. For the remaining three, second notice letters were sent on August 13th.

Property Manager's Report (July/August): The report was presented by Jim Crayton and is attached herein as Exhibit D. Motion to approve the report was made by Junior Rideout, seconded by Billy McGavock. Unanimous affirmative vote by those present.

Old Business:

Foreclosures/Liens of Properties. Ms. Herrmann updated the Board on the status of the two outstanding accounts placed with the lawyer. The final letter prior to foreclosure was sent to the owner of the Boykin lot (#237) and no response has been received within the allotted time, so a filing of foreclosure will be made by the lawyer (with a filing fee of \$300 to be paid by the POA). The lawyer also reports that the Britt Estate has been settled and the lawyer for that estate has requested all creditors to supply him with a list of monies due. That information has been provided.

Horsepen Road Canal Overpass. Following the approval of the POA membership at the July 31st Special Meeting to execute a loan with Southern Bank combining the two existing loans for the pool construction with one for the bridge construction, to execute a contract with S&C Construction for the construction of the bridge, and the increase of POA member dues to \$60 per month, Mr. Votaw reported that the contract has been signed, most components are on order, and construction is expected to start the second week in September, finishing before the end of the year. In addition, Mr. McGavock reported that he had been in contact with both Star Communications and Duke Power and both reported that they will relocate the utilities around / under the bridge, and not charge the POA.

POA Files Maintenance. In the temporary absence of Mr. Latham, Mr. Howell reported that organization of the files is continuing, in general, but no progress has been made since the last Board meeting. The majority of the files that now need further examination are a large variety of financial reports and records.

Drainage on South Horsepen. The drainage problems on South Horsepen Road were brought up at the May Board meeting. As agreed, Mr. Atkinson has pursued this issue and obtained agreement from Mr. Steve Jones, Jr. of Lake Creek Corporation, in June, that Mr. Jones would produce a plan to remedy the problem. That plan is not yet available.

Billing Program Upgrade/Replacement. Hank Howell reported on the results of a committee (he, George Starke and Tish Herrmann) investigation into alternatives to the current software used by the POA for billing and maintenance of the membership data base. At previous meetings of the Board, problems had been identified with the current software, namely, error messages when processing the billing for the second quarter of 2016, a lack of ability to itemize additional charges that compose the billing total for a given individual, and an out-of-date platform (ACCESS 1997) which uses file formats incompatible with current versions of ACCESS. In short, the errors have not reappeared, and Mr. Starke has found a feature which allows for the adding of more categories of billing components. Plus, he has found that a more current version of ACCESS will convert the old files to the new format, and the POA already owns a 2015 version of ACCESS. Thus, more testing and verification will be needed before we can close this item, but it appears that no additional software, or modification of existing software, is needed.

Further, the investigation revealed many old files are being carried in the current data base on transactions involving property owners that have not owned property in BTL for well over five years or more. Ms. Herrmann asked permission to back up all the files to a retrievable medium and then purge those files just described, to reduce the size of the active data base and improve the processing. The Board gave her permission to purge, in that manner, those files for property owners that have not owned BTL property in the last three years. All of the old files will be retrievable if needed.

Fish Habitats. Byron Massey was expected to attend this meeting and make a proposal on this subject. He was not present so discussion on the topic was postponed.

Plan for Pig Pickin'. The annual Pig Pickin' sponsored by the POA for all POA members and guests on Labor Day weekend is set for Saturday, September 3rd, from 1:00 PM to 3:00 PM. The BTL Volunteer Fire Department has traditionally prepared

and served the meal as a fund raiser and will do so this year. The Board agreed, in response to a question, that there is no plan for a POA sponsored DJ and pool party that weekend.

New Business:

Move Main Bank Account to Southern Bank. Billy McGavock explained the difficulty he has experienced with QuickBooks and the primary operational account the POA has with BB&T. This requires double entry of all transactions associated with that account. Same or similar problems were experienced by the two previous POA Treasurers. No such problems have been experienced with the Southern Bank accounts. He proposed to keep the accrual account (referenced above as “Second Checking) with BB&T, but move the regular checking account to Southern Bank over the next month or so. The Board agreed.

POA Member Comment on Membership Meeting. Troy Votaw read an email sent to the Board via the POA web site from an unnamed person. That email is attached herein as Exhibit E. The last line reads, “Have a great day, and look forward to hearing about this in the upcoming minutes in your next session.” Mr. Votaw then asked for comments or questions from the property owner attendees. Sonya Smith made several comments, emphasizing that she wanted the minutes to show that she believed that since Mr. Steve Jones owns the roads, it is illegal for the POA to pay to replace the bridge. Tanya Sue Todd asked about the collateral the POA provided for the loan, the length of the loan, and the disposition of the dues once the loan is paid. Members of the Board provided answers to her questions and she appeared satisfied. Todd Karpinski suggested that the dirt portion of E. Bay Ridge Road, in use since the overpass collapsed in February, may be in worse shape than indicated by Mr. Crayton in the Property Manager's report. Mr. Atkinson assured Mr. Karpinski that the Board would look further at this issue and seek a good solution.

Other Business:

There being no further business, a motion to adjourn was made by Junior Rideout, seconded by Billy McGvock, and passed at 8:28 pm.

Respectfully submitted,

Bob Latham, Secretary

Exhibit A

Bay Tree Lakes
Property Owners Association

Board of Directors Meeting Agenda

August 18, 2016

Call to Order and Welcome Members and Guests	Charles Atkinson
Invocation	Bob Latham
Approval of Prior Meeting Minutes (July 21, 2016 and Exec. Session July 21, 2016)	Bob Latham
Approval of Prior Month's Financial Report (July 2016)	Billy McGavock
POA Clerk's Report (July 2016)	Tish Herrmann
Property Manager's Report (July/August 2016)	Jim Crayton

Old Business:

1. Foreclosures/Liens of Properties	Bob Latham
2. Horsepen Road Canal Overpass	Charles Atkinson
3. POA Files Maintenance	Bob Latham
4. Drainage on South Horsepen	Charles Atkinson
5. Billing Program Upgrade/Replacement	Hank Howell
6. Fish Habitats	Byron Massey
7.. Plan for Pig Pickin'	Charles Atkinson

New Business:

1. POA Member Comment on Membership Meeting	Charles Atkinson
2. Move Main Bank Account to Southern Bank	Billy McGavock

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 – July 2016

	TOTAL
	(\$)
INCOME	
Non-Profit Income	
Dues	21,209.00
Interest Paid by Members on Dues	23.58
Misc. Income	25.00
POA Lot Mowing	115.00
Pool	7,248.00
Rental	200.00
Total Non-Profit Income	28,820.58
Services	5,503.23
Total INCOME	34,323.81
EXPENSES	
Building Cleaning	525.00
Cost of Labor	
Asst Pool Operator – JA	170.00
Certified Pool Operator	320.00
Clerk	600.00
Property Manager	1,000.00
Total Cost of Labor	2,090.00
Grounds	
Mowing & Cleaning	1,250.00
Total Grounds	1,250.00
Legal & Professional Fees	1,200.00
Meals & Entertainment	166.05
Office Expenses	
Bank Charges	21.95
Internet	4.95
Telephone	373.78
Total Office Expenses	400.68
Repair & maintenance	
Clubhouse	75.00
Gate	501.73
Total Repair & Maintenance	576.73
Road Repair & Maintenance	4,250.00
Uncategorized Expense	5,297.04

Utilities	
Electricity	1,390.63
Sewer	75.20
Water	319.23
Total Utilities	1,785.06
Total EXPENSES	17,540.56
NET OPERATING INCOME	16,783.25
OTHER INCOME	
Interest Earned	0.62
NET OTHER INCOME	0.62
NET INCOME	16,783.87

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Exhibit C:

Clerk's Report

From the Clerk

August 1, 2016

July 31, 2016	Outstanding Dues	\$44,223.36
July 31, 2016	Credit Balance	\$ 3,433.11

Lots reported sold in July 2016

Buyer	Lot	Home	Seller
Ricky Price	323	Harrells, NC	Dawn Bryant
Ronnie & Laurie Jordan	535	Marion, SC	Heather Singleton

Total Billable Lots 456.5

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Exhibit D: Property Manager Report July/August 2016

1. Several new lot owners have been in to get gate passes etc... I have had to order more cards for the pool and more windshield stickers.
2. No Smoking signs have been placed at the pool and we have had no new complaints.
3. The pool continues to run well. The recent spell of hot weather has likely cause an increase in its' usage.
4. The gate problems seem to have been solved with no new issues reported.

Exception, this AM I did have to reset the right gate so the arm would go back down. This is likely a loose connection. I will watch it the next few days.

5. We sent the least lot mowing letters this month that I can recall. The policy revision seems to be working well.
6. The Fire Department has a water shuttle drill scheduled for the evening of Sept. 1st. Expect to see more traffic as we continue to prepare for our ISO inspection scheduled for mid-Sept.
7. I checked with our insurance agent and we do have insurance on the gate. The deductible however is \$2,500. She thinks we can probably still file for the damage done last August.
8. Steve Jones contacted me about letting Don Sutton, a contractor, put the trees he has cleared off the lot next to Ed Stone on our pile so they can start building. I had already told Don the site was closed. I think we need some discussion on letting people who clear lots putting their trees there. Use of the lot was originally intended for light debris from storms or from shrub pruning etc... not for whole trees and heavy debris. I think we should give some consideration to a policy to govern use of the site. Maybe we need to have a fee schedule for anything over a pick-up or small trailer load. Anyway, I need some guidance. There are currently four large piles ready to burn. Red is going to try to burn them one at a time if we get sufficient rain.

9. I have received a couple of minor complaints about the condition of the dirt portion E. Bay Ridge Rd. I drove it this AM and it is not too bad if you are reasonable about your speed.
10. This AM I discovered some buckling in the floor of the exercise room. At this time I have not determined if it is from something spilled or from moisture under the floor. The mats have been pulled back to try to let it dry. This happened once before and I eventually had to cut some saw kerfs in order to get the floor to lay back down.

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Exhibit E:

Resent-From: contact@baytreecommunity.com

From: comments@baytreecommunity.com

Date: August 4, 2016 at 12:03:39 AM EDT

Resent-To: cha683sted@aol.com

To: contact@baytreecommunity.com

Subject: Comments

The Form Response

subject: Comments

sendto: contact@baytreecommunity.com

mailfrom: comments@baytreecommunity.com

redir: <http://www.baytreecommunity.com>

comments: To Baytree Lakes POA Board.

I am a POA member in good standing within the community. All my dues are paid on time and enjoy visiting The Baytree Community on weekends. However this letter is to inform all Board members that the letter that POA members received on 07/16 stated the purpose of the meeting was to;

1. Review the details of the POA Boards recommended new bridge design
2. Select and approve a payment plan for the new bridge

Nowhere in this letter does it say that the POA Board was going to increase are dues on a permanent basis. From my understanding there were no plans it was just a plan to increase the dues. There were no choices given to the homeowners, even when asked about a onetime assessment, the board refused to hear the member out.

1. There was no selection of any payment plan, just increase in dues. It clearly states that increase in dues must be clearly stated in your letter which it was obviously NOT.

The board went through this problem several years ago with the pool, and roads where the board did NOT specify that they were in fact increasing the dues on the members of the community. The POA board after consulting THEIR ATTORNEY after a member complained had to re vote on several issues involving road payments and pool dues. The letter that the POA Board had to re send to members had to specifically state that there was going to be an increase of POA dues. This letter that we received clearly does NOT state this in the 07/16 letter that I received.

I have over 150 POA members' addresses in my possession and I plan sending this letter out to each and every person on my list. This is unethical what the board has done and will not be tolerated. The Board has violated its own rules by not clarifying its true intentions. I have spoken with several POA members who are in agreement, and we will continue to press this matter until a proper vote is made. I hope POA members will mail this letter to you and you show this letter to your attorney (who already set precedent, the last time we had to re vote) and they will tell you the same thing that they said before, which is another vote must be taken and the letter must state the true intentions of the board.

Have a great day, and look forward to hearing about this in the upcoming minutes in your next session.

POA member.