

Monthly Board of Directors Meeting

The Bay Tree Lakes Property Owners Association Board of Directors monthly meeting was held at the Bay Tree Lakes Clubhouse on Tuesday, September 11, 2007 at 7:00 pm. The following Board Members were present: Mr. John Shaw, Mr. Dennis Ford, Mr. Charles Massey, Mr. Charles Atkinson and Mr. Roy Dew. Others present were Tish Herrmann, POA Clerk and POA Members: Mr. Allen Stepro and Mr. Richard Stevens.

President John Shaw called the meeting to order promptly at 7:01 pm at which time everyone was welcomed to the meeting. President Shaw expressed his appreciation for everyone's attendance. At the request of President Shaw everyone observed a moment of silence in remembrance of all victims of the 911 attacks.

At President Shaw's request Mr. Charles Massey gave the invocation.

President Shaw distributed the meeting agenda to all present. (Attached marked Exhibit A)

Approval of August 2007 Meeting Minutes (Attached marked Exhibit B)

Secretary Charles Atkinson distributed the minutes for the prior month's meeting. The minutes for the previous month's meeting were emailed to all board members prior to the meeting for their review.

Approval of Financial Report (Attached marked Exhibit C)

Treasurer Charles Massey presented the August 31, 2007 financial report. The financial report for August was emailed to all board members prior to the meeting for their review.

Property Manager's Report (Attached marked Exhibit D)

At Large Board Member and Property Manager Roy Dew presented the report to the board. This report was emailed to all members prior to the meeting for their review.

Clerk's Report (Attached marked Exhibit E) ,

POA Clerk Tish Herrmann presented the Board her report to the board.

In order to expedite the Board meetings, all members reviewed all reports prior to the meeting per President Shaw's request. President Shaw ask for any comments or questions regarding any of the reports, there being none, a motion was made by Charles Atkinson and seconded by Roy Dew to approved all reports as presented. The motion was unanimously approved.

Old Business

A. Trailer Parking

Charles Massey briefed the board regarding the draft lease agreement for the trailer parking area. Mr. Massey informed the members the draft lease agreement with the minor changes was returned to Mr. Jones. Mr. Jones has sent the draft lease agreement to the attorney's office for changes. The document was to be completed well before this meeting and after numerous attempts to obtain the agreement; Mr. Massey was informed the agreement was still at the attorney's office. The POA Board has offered to take the lease to our attorney and pay for the cost in order to expedite the process, so far, Mr. Jones has declined the offer. Mr. Massey will continue his efforts to obtain the lease prior to the next board meeting.

The board agrees we should not proceed with construction until we have a valid lease agreement in hand. Mr. Dew will continue the planning and develop cost estimates for this project.

B. Paving Project

Mr. Dennis Ford reports the Paving Project Committee has not met due to scheduling conflicts, however: there will be a committee meeting next Friday at 7 pm or Saturday at 10:00 am. According to Mr. Jones paving in the new area will start soon after the grading and packing is completed as well as surfacing of the bridge at Horsepen's new boat lift. Mr. Jones advises, they continue to have issues with the new lift. Additionally, there are no plans to improve any utilities at this time.

Golf Practice Area Project

Property Manager Dew is scheduling a meeting to finalize plans and work out a construction schedule.

Card Request

Several POA members requested an additional card to access the Bay Tree Property. Property Manager Dew would not approve an additional card as the Board of Directors Security Policy, which was adopted several months ago, did not approve it. Mr. Dew invited the members to the Board of Directors meeting in order for the members to plead their case. No one appeared on these issues.

New Bookkeeping System

Charles Massey informed the Board regarding the status of the Quick Books program. DSL line was installed but was not operational with our current system. After trying several Ethernet cards and a technician's visit our system could access the DSL line, however it was discovered our windows operating system could not communicate with the online system because outdated software (Windows98). Mr. Massey recommends

we have our entire system upgraded in order to expedite the use of the Quick books on line. Everyone agrees. After a lengthy discussion of the issues, Charles Atkinson made a motion to authorize the expenditure of up to \$1250 to purchase a new computer system with the updated software for the Property Owners Association. The motion was seconded by Mr. Charles Massey and unanimously approved.

Security Committee Update

Mr. Brian Wolfe was absent for this meeting. Gate system still has a few minor issues to resolve, all are covered under warranty. Mr. Dew believes most of the issues evolve around programming of the computer system. Mr. Dew requested a \$200.00 payment for the Deputy scheduling (summer time) weekend security guards for our gatehouse. This has been the practice of previous boards. A motion was made by Mr. Roy Dew and seconded by Mr. Dennis Ford to approve this expenditure. Motion unanimously approved.

Mr. Massey updated the board on the ADT maintenance agreement. He was informed our agreement requires a 90% pay out should we cancel the agreement before end of the service contract. Everyone agreed to continue the monthly maintenance contract until the expiration date. This agreement covers two cameras and the recorder.

Other Comments:

Due to the receding water levels, both boat ramps are in need of some repairs. Several members have been unable to access the lake and canal due to the condition of our ramps. Mr. Dew will inspect both ramps to determine ways to improve the ramps. Everyone believes these issues are a result of the lower water levels and prop washout when we load our boats. Roy will get Ronnie Turner to examine as well.

The walkway to the covered dock (across street from clubhouse) is in need of repairs. Roy believes this was installed in the 70's. Roy will check on cost and type of replacement materials before next meeting.

Over grown lots. Roy will inspect property to determine if mowing is required, if so, letters are to be mailed to property owners advising the status of their property.

Mr. Charles Atkinson distributed sample POA monthly activity calendars. He requested all members to review and provide positive as well as negative feed back. The idea is to have one calendar with all meetings, POA activities, Club activities, potluck dinners, Fire Department training sessions, clubhouse rental, etc. on one calendar. Board will review and discuss at the October meeting.

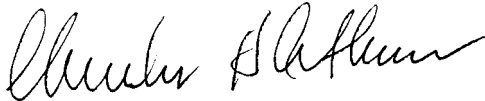
Mr. Roy Dew informs the board he has inspected the condition of POA pier mentioned during the August meeting. The inspection revealed approximately 40 or so boards of approximately 480 had cupped on one end or the other. This is approximately 10% of the total.

Executive Session

All Property Owner Association Members were dismissed and the board went into Executive Session at 8:09 pm. This session was held to discuss private matters, which could result in future potential legal actions, by the board.

There being no other business, a motion was made by Charles Atkinson seconded by Dennis Ford to adjourn, the motion passed unanimously. The meeting adjourns at 8:39 pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Charles H Atkinson". The signature is written in a cursive style with a large, sweeping initial "C".

Charles H Atkinson
Secretary
Bay Tree Lakes POA

Exhibit A
POA Board Meeting
September 11, 2007

Welcome-----John Shaw

Invocation-----Charles Massey

Consent Agenda Items

 Minutes August 14, 2007

 Treasurer's Report

 Property Manager's Report

 Clerk's Report

Old Business:

1. Trailer Parking-----Charles Massey
2. Paving project-----Dennis Ford
3. Golf Practice Project-----Roy Dew
4. Card Request-----Roy Dew
5. New Bookkeeping System-----Charles Massey

New Business:

1. Security Team Update-----Brian Wolf

Executive Session:

Exhibit C
Bay Tree Financial Report

	Jan	Feb	Mar	Apr	May	June	July	Aug	Total
Income									
Cards/gate access	\$140	\$70	\$155	\$260	\$195	\$35	\$90		\$945
Club rental		\$400	\$600		\$200		\$600		\$1,800
Dues	\$36,039	\$7,442	\$4,128	\$29,285	\$10,164	\$3,369	\$24,161	\$7,312	\$121,900
Roads	\$13,856	\$3,096	\$1,692	\$10,944	\$3,564	\$1,116	\$9,576	\$2,628	\$46,472
Misc	\$295			\$258		\$175	\$50	\$84	\$862
Operating Income	\$50,330	\$11,008	\$6,575	\$40,747	\$14,123	\$4,695	\$34,477	\$10,024	\$171,979
Expenses									
Buildings	\$2,898	\$283	\$3,396	\$297	\$538	\$315	\$384	\$314	\$8,425
Grounds		\$397	\$400	\$720	\$1,973	\$886	\$729	\$2,197	\$7,302
Insurance	\$3,438				\$750				\$4,188
Maintenance	\$937	\$138	\$1,524	\$2,156	\$1,544	\$1,333	\$385		\$8,017
Member Events				\$1,072	\$91		\$226	\$1,038	\$2,427
Misc.	\$200	\$491	\$849	\$475	\$458	\$1,182	\$36	\$377	\$4,068
Refund	\$3,285			\$150	\$150	\$261	\$300		\$4,146
Office	\$106	\$304	\$202	\$881	\$199	\$766	\$144	\$340	\$2,942
Taxes		\$294	\$1,242						\$1,536
Utilities	\$662	\$725	\$696	\$459	\$728	\$842	\$878	\$766	\$5,756
VFD support									
Wages & Salaries	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,140</u>	<u>\$1,420</u>	<u>\$3,475</u>	<u>\$2,715</u>	\$3,350	\$15,100
Operating Expenses	\$12,526	\$3,632	\$9,309	\$7,350	\$7,852	\$9,060	\$5,797	\$8,382	\$63,908
Gate Project	\$2,035	\$678	\$17,563	\$2,663	\$4,641	\$998	\$4,505	\$1,957	\$35,040
Special Events	\$40	\$104							\$144
Total Expenses	\$14,601	\$4,414	\$26,872	\$10,013	\$12,493	\$10,058	\$10,302	\$10,339	\$99,092
Operating Profit/Loss	\$37,804	\$7,376	(\$2,734)	\$33,397	\$6,271	(\$4,365)	\$28,680	\$1,642	\$108,071
Total Profit/Loss	\$35,729	\$6,594	(\$20,297)	\$30,734	\$1,630	(\$5,363)	\$24,175	(\$315)	\$72,887
Operating Cash	\$59,066	\$35,660	\$15,363	\$46,098	\$47,728	\$17,365	\$41,540	\$41,225	
Money Market Acct.	\$61,572	\$91,797	\$92,085	\$92,364	\$92,653	\$117,994	\$118,362	\$18,704	
Investment	\$159,047	\$156,128	\$158,045	\$164,146	\$168,997	\$166,123	\$162,091	\$161,565	
Cert. Of Deposit								\$100,000	
Total	\$279,685	\$283,585	\$265,493	\$302,608	\$309,378	\$301,482	\$321,993	\$321,494	

Exhibit D

Property Managers Report for August 2007

Clubhouse:

- DSL is now connected to the office computer
- Had the beach, playground, and boat ramp areas raked and leveled.
- Replaced A/C filters
- The pier for the lake was inspected by two (2) State Park Rangers, and they reported it was in the one of the safest piers on Bay Tree Lake.

Cabana:

- Replaced light switch in ladies restroom

Canals:

- Had adjustments made to boatlift (someone got it out of alignment causing it not to work properly)
- Added additional braces to the weight signs.
- Replaced the broken switch on the boatlift
- 100 grass carp have been added to the canals

Playground:

- Replaced the shackles on the swing sets
- Had the fence repaired in two places where it appears it had been ran into by golf carts.

Gate Entrance:

- Installed a yellow and red reflective sign on each end gate entrance island.
- Two property owners are requesting additional gate cards. I have referred them to the gate policy (one card per property owner). Any exception they would have to go before the board of directors for approval Not happy!!!!

Recommendations:

Exhibit E

Clerk's Report

September 11, 2007

Lots reported sold in August 2007

<u>Buyer</u>	<u>Home</u>	<u>Lot No.</u>	<u>Seller</u>
Bruce & Rhonda Bright	Fayetteville, NC	73	Vicki Eslick
Byron & Lori Massey	Harrells, NC	313	Johnny Cain
John & Deborah Young	Springfield, VA	127	Brett Walsh

A note was received from Mr. Walsh stating he had sold this lot a year ago. The courthouse records indeed verify that the lot was sold October 2006, but the POA was only informed that Mr. and Mrs. Young had purchased lot 126 at that time.

Billing has been adjusted accordingly.

Dues

The total amount in arrears: \$32,794.17

The total credit balance: \$3,917.49