

Bay Tree Lakes

Property Owners Association

BOARD MEETING MINUTES

August 14, 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, August 14, 2014. The following Board members were present: Clark Valentiner, Lee Hauser and Junior Rideout. Board members Roger Wright and Brian Wolf were both out of town. POA Clerk Tish Hermann and Assistant Secretary Hank Howell also attended.

Property owners in attendance were Debbi Kettle, Larry Barnes, Brenda Barnes, Cathy Ross, Glenn Page and LeAnne Page.

In the absence of President Roger Wright, Clark Valentiner presided and called the meeting to order at 7:03 pm and welcomed all POA members to the meeting, after which Lee Hauser provided the invocation.

Approval of Prior Meeting Minutes (July 10, 2014): Motion to approve was made by Lee Hauser, seconded by Junior Rideout. Unanimous affirmative vote by those present.

Approval of Prior Meeting Minutes (August 4, 2014): Motion to approve was made by Lee Hauser, seconded by Junior Rideout. Unanimous affirmative vote by those present.

Approval of Prior Month's Financial Report (July 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.

Financials for July 2014:

Operations Checking:	\$ 69,115.61
Pool Checking	\$ 10,918.87
Money Market:	\$ 55,722.85
Total Monies:	\$ 135,757.33

Pool Loan Principal: \$ 374,918.07
ADA Loan Principal: \$ 120,796.56

POA Clerk's Report (July 2014): Report was presented by Tish Hermann and is attached herein as Exhibit C. Motion to approve was made by Junior Rideout, seconded by Lee Hauser. Unanimous affirmative vote by those present.

Property Manager's Report (July/August 2014): Report was prepared by Jim Crayton and presented by Junior Rideout in Mr. Crayton's absence. The report is attached herein as Exhibit D. The report was accepted with no motion to approve.

Business:

1. **Fishing Habitats:** Byron Massey was not present to make a report so this subject was postponed to the next Board meeting. Previously the Board had agreed to promote and sanction this proposal from Mr. Massey, contingent upon receipt of a letter of approval from the developer, Steve Jones, Jr., and the production of a plan of implementation (the “rules of engagement”) by Mr. Massey.
2. **Central Mail Boxes:** Debbi Kettle reported that a conversation with our mail delivery person revealed that one party in Bay Tree Lakes has been called for an opinion. The opinion was negative on the subject, and no more calls are expected. The Board agreed to consider this issue closed at this time and address it again if it arises again.
3. **Horsepen Boat Lift:** This item was covered sufficiently in the Property Manager's report.
4. **POA Financial Audit:** Clark Valentiner reported that the questionnaires have been completed and the audit process has started. The process is likely to take a couple of months.
5. **Fishing Tournament for Labor Day Weekend:** At the start of the meeting, no one had volunteered to plan and organize the many activities needed to carry out this function for our neighborhood youth. For that reason, and with just over two weeks to go before the planned date for the function, the Board was considering dropping the function for this year. During the meeting, however, Larry and Brenda Barnes agreed to consider volunteering to lead the planning process, if a sufficient number of other people volunteered to assist. The outcome was not clear at the end of the meeting.

6. **Signs:** It was previously reported that the developer had been made aware of the need for additional street signs in the community. The status of Private Property signs and No Wake signs was covered sufficiently in the Property Manager's report.
7. **Governance Review Committee (GRC) Update:** Lee Hauser, chairman of the GRC, presented a summary of the GRC activities as reported in the minutes of the GRC meeting on August 7, 2014. These activities include meetings with Steve Jones, Jr., the developer; considering the requirements for use of the Storage Lot; reviewing the architectural guidelines and the clubhouse rental policy; and gaining familiarity with the North Carolina Planned Community Act, part of the NC General Statutes.
8. **POA Web Site Restricted Access:** There currently appears to be no need for this capability. Therefore, discussion of this subject will be postponed until a need is defined.
9. **Pool Punch List:** Of the three remaining items identified at the last Board meeting, two have been addressed. The bubbler leak has been repaired. A fix for the ground leak between the fence and the sidewalk on the west side of the pool must wait until the pool is closed for the season.
10. **Pool Bulletin Board:** No information was available on the status of this item.
11. **CPR Classes:** Per the Property Manager's report, the CPR class is scheduled for Tuesday, August 19th, at 6:00 pm at the Clubhouse. The cost is \$35, payable at the class. An additional class can be scheduled if enough people are interested. People who are interested should let Jim Crayton know.
12. **30 Acres East of Storage Lot:** No information was available on the status of this item.
13. **E & O Insurance:** Clark Valentiner reported that a conversation with the underwriter for the POA policies revealed that E&O insurance (Errors and Omissions) applies only to "licensed professionals," not to the boards of corporations or organizations such as the BTL POA. Further clarification is being sought. Action on the outstanding motion to purchase this insurance was postponed until the full Board is available to consider it.

14. Clubhouse Rental Policy: Lee Hauser reported that this item is being considered by the GRC and no further consideration is required by the Board until a recommendation from the GRC is received by the Board.

15. Labor Day Pig Picking: Plans are well underway for the annual Pig Picking picnic to be held at the Clubhouse on Saturday, August 30th. The BTL Volunteer Fire Department is providing all of the food and accessories for 300 plates, to be ready to eat at 1:00 pm. Mention was made that there has been no notification mailing to the membership and no requirement for a POA member to pay the cost for a guest, as has been done in some of the prior years. It was stated that last year, when no guest fee was required, the food ran out before all of the POA members were able to be fed. Perhaps the BTLVFD should be asked to prepare for more than 300. Clark Valentiner agreed to follow up this issue with the absent Board members and come to a decision in the next few days. Meanwhile, Lee Hauser volunteered to provide music for the occasion, from the cabana area, as was done for the July 4th celebration.

New Business:

1. None

POA Member Comments and Questions:

1. Cathy Ross informed the members present that young people have been found to be playing with the boat lift, leaving it partially submerged (or raised). Boaters should be careful when using the lift, to be certain that it is lowered all of the way before driving their boat onto the lift. The Property Manager is aware of these happenings and knows the identity of the youth, and is following up. It was also stated that these same youth have been knocking on doors, or ringing door bells, late at night.
2. Debbi Kettle asked if anything could be done about the noise caused by a neighbor running a gas powered engine to irrigate his lawn, late at night. Clark Valentiner agreed to follow up on this matter.
3. Lastly, the question was raised as to whether the trimming of underbrush on the banks of the canal can be enforced on lot owners that do not do that. The trimming was recommended by the Property Manager at the last monthly meeting, but not all lot owners are complying, especially those that have no lot owner, such as along the north shore of the Spring Branch Cut.

There being no further business or comments, a motion to adjourn was made and passed at 7:49 pm.

Respectfully submitted,
Lee Hauser
Secretary

Exhibit A: Agenda for August 14, 2014 Meeting

Board of Directors Meeting Agenda

August 14, 2014

Call to Order and Welcome Members and Guests	Presiding Officer
Invocation	Clark Valentiner
Approval of Prior Meeting Minutes (July 2014)	Lee Hauser
Approval of Prior Month's Financial Report (July 2014)	Clark Valentiner
POA Clerk's Report (July 2014)	Tish Herrmann
Property Manager's Report (July / August 2014)	Jim Crayton
Business:	
1. Fishing Habitats	Byron Massey
2. Central Mail Boxes	
3. Horsepen Boat Lift	Jim Crayton
4. POA Financial Audit	Clark Valentiner
5. Fishing Tournament for Labor Day	
6. Signs - Street / Private Property / No Wake	Jim Crayton
7. Governance Review Committee (GRC) Update	Lee Hauser
8. POA Web Site Restricted Access	Jim Crayton
9. Pool Punch List	Jim Crayton

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|----------------------------------|------------------|
| 10. Pool Bulletin Board | Jim Crayton |
| 11. CPR Classes | Jim Crayton |
| 12. 30 Acres East of Storage Lot | Jim Crayton |
| 13. E & O Insurance | Clark Valentiner |
| 14. Clubhouse Rental Policy | Lee Hauser |
| 15. Labor Day Pig Picking | |
| 16. Fishing Tournament | |

New 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: Financial Report**

Bay Tree Lakes Property Owners Association  
Profit and Loss  
July 2014

|                            | <b>Total</b> |
|----------------------------|--------------|
| Income                     |              |
| Non-Profit Income          |              |
| Club Card                  | 20.00        |
| Dues                       | 27,277.81    |
| Gate Access                | 905.00       |
| POA Lot Mowing             | 100.00       |
| Pool                       | 10,806.00    |
| Rental                     | 600.00       |
| Total Non-Profit Income    | 39,708.81    |
| Total Income               | \$39,708.81  |
| Expenses                   |              |
| Building cleaning          | 525.00       |
| Cost of Labor              |              |
| Cost of Labor              |              |
| Asst Property Manager - JC | 125.00       |
| Certified Pool Operator    | 215.00       |
| Clerk                      | 600.00       |
| Guard                      | 560.00       |
| Property Manager           | 1,000.00     |
| Total Cost of Labor        | 2,500.00     |
| Total Cost of Labor        | 2,500.00     |
| Funds transfer             |              |
| Interest Paid Pool         | 1,653.90     |
| Principal Paid Pool        | 3,643.14     |
| Total Funds transfer       | 5,297.04     |
| Grounds                    |              |
| Mowing & cleaning          | 860.00       |
| Total Grounds              | 860.00       |
| Member Event               | 2,411.00     |
| Office Expenses            |              |
| Bank Charges               | 9.95         |

|                            |             |
|----------------------------|-------------|
| Internet                   | 72.63       |
| Quick Books Online         | 26.95       |
| Telephone                  | 256.97      |
| Total Office Expenses      | 366.50      |
| Repair & Maintenance       |             |
| Gate                       | 900.86      |
| Pest Control               | 85.00       |
| Pool                       | 1,002.99    |
| Total Repair & Maintenance | 1,988.85    |
| Trailer storage facility   | 287.00      |
| Utilities                  |             |
| Electricity                | 1,179.04    |
| Sewer                      | 80.00       |
| Water                      | 112.68      |
| Total Utilities            | 1,371.72    |
| Total Expenses             | \$15,607.11 |
| Net Operating Income       | \$24,101.70 |
| Net Income                 | \$24,101.70 |

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# Exhibit C: Clerk's Report

From the Clerk

August 10, 2014

|               |                  |             |
|---------------|------------------|-------------|
| July 31, 2014 | Outstanding Dues | \$38,931.45 |
| July 31, 2014 | Credit Balance   | \$ 3,854.30 |

## Lots reported sold July 2014

| <u>Buyer</u>               | <u>Lot</u> | <u>Home</u>        | <u>Seller</u>              |
|----------------------------|------------|--------------------|----------------------------|
| South River Land Co.       | 906        | Elizabethtown, NC  | New Century Bank *         |
| South River Land Co.       | 907        | Elizabethtown, NC  | New Century Bank *         |
| Kevin Walsh                | 143        | Carolina Beach, NC | NC Eagle Trace 2006 LLC ** |
| Kevin Walsh                | 144        | Carolina Beach, NC | NC Eagle Trace 2006 LLC ** |
| Robert & Eliz. Gamble      | 541        | Fayetteville, NC   | Dexter Edwards             |
| Philip & Jean Blethan      | 909        | Wilmington, NC     | Lake Creek Corp.           |
| Joel & Camelia Parker      | 928        | Clinton, NC        | Lake Bay East *            |
| Scott & Christina Detwiler | 261        | Clinton, NC        | Tomahawk Land Carolina     |

\* first time sale

\*\* transfer

Total lots 450.5 as of August 1, 2014

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# Exhibit D: Property Manager's Report

## Property Mgr. Report - August 14, 2014

I would like to start by thanking all of you for your concerns expressed over my recent injury. I fell and ripped loose the Hamstring in my right leg. The first two weeks were very painful but I am doing a lot better now. I would like to thank Asst. Property Mgr. John Ciccarelli for stepping in and being my legs. Thankfully, it has been a slow month and everything seems to have run very smoothly.

We have has a lot of requests for new gate cards and windshield tags due to the recent property sales. We have issued 8 new gate cards and 11 new windshield tags.

- Donovan Vinson, our Pool Mgr. has been given the green light by his doctors and will report for work tomorrow (Fri.) Many thanks to Kelly Allen and John Ciccarelli who have been filling in for Donovan in his absence. John is now also a Certified Pool Operator.
- The CPR class has been scheduled for next Tuesday night at 6:00 PM here at the clubhouse and there are still openings in the class. Cost is \$35 payable at the class. Please contact me ASAP if your are interested in the class. We will also schedule another class for those that cannot come on Tuesday.
- At the pool, the leak in the bubbler line has been repaired by Carolina Pool and the bubblers are now working.
- Thanks to Jr. Rideout for installing motion detectors in the cabana to help control the lights.
- I am hesitant to even bring this up but, the gates seem to be working well. I did another hard resent on the system about 3 weeks ago and so far everything seems good.
- Per board instructions a number of new signs have been ordered for the canals. The format for the NO TRESSPASSING signs was not approved by the developer and he is having those done at his expense. The NO WAKE signs are still on order. These are the sandblasted wooden signs and they take a while to get.
- I would like to re-emphasize the request I made last month for everyone to do a good job at clearing the canal banks of all the overhanging bushes etc... and to trim up under the trees. As I stated last month these areas are attractive to wildlife if not kept clear.
- We will be doing another lot survey (grass cutting) in about a week.
- The service technician for the boat lift has postponed his preventative maintenance visit so there is nothing to report on that issue.

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# *Bay Tree Lakes*

## *Property Owners Association*

**August 4, 2014**

A called meeting of the Bay Tree Lakes (BTL) Property Owners Association, Inc. (POA) Board of Directors (Board) was called to order by President Roger Wright at 7:02 p.m. In attendance with Mr. Wright were Board members Clark Valentiner, Lee Hauser, and Junior Rideout. Board member Brian Wolf was out of town. Also attending were Property Manager Jim Crayton and Assistant Secretary Hank Howell. Clark Valentiner began the meeting with an invocation.

Mr. Wright opened by stating that there was no written agenda, but he had seven items that needed the attention of the Board.

### **Beach Church Service**

Mr. Wright provided a brief description of the service conducted by Carey Horrell on the evening of August 3<sup>rd</sup> at the Cabana pier area. Mr. Horrell led the service and Trish Dilello sang and provided music on her guitar. About 27 people attended. It is expected that Mr. Horrell will conduct another such service on August 10<sup>th</sup>.

### **E & O Insurance**

A question has been raised as to whether the Board has proper insurance for E&O (Errors and Omissions). There was a good bit of discussion as to whether it was included as part of the General Liability rider that exists, or the D&O (Director and Officers) rider that exists, and whether it can be obtained as a separate policy or only as a rider to a bigger policy. The agent for the existing POA coverage (Lisa Johnson with State Farm in Wallace) was out of the country and unable to clarify all of these points. Roger Wright has received a proposal from Chicky Robbins of the Lacy West agency in Elizabethtown for E&O coverage at an annual cost of \$857. Lee Hauser moved, and Junior Rideout seconded, that Clark Valentiner is to verify the Board's E&O status with the State Farm underwriter. If proper E&O coverage is not currently in effect, then Mr. Valentiner is to contract for the E&O coverage proposed by Chicky Robbins. The motion passed unanimously by all those present.

## **Clubhouse Rental Policy**

Steve Jones, Jr., has requested that the POA clubhouse be reserved for his use on August 9<sup>th</sup> as a center for the sales promotions that are scheduled for that day by Lake Creek Corporation. August 9<sup>th</sup> falls on a Saturday. Current policy allows rental of the clubhouse for functions of businesses on Monday through Thursday. All Board members stated support of the sales promotions, but an exception to policy would have to be granted. A unique exception was not justified, and a universal exception was not thought to be wise until sufficient due diligence has been done. Sufficient due diligence cannot be done by August 9<sup>th</sup>. Mr. Wright agreed to convey these thoughts and the conclusion of the Board, denying his request, to Mr. Jones.

## **Pool Punch List**

Mr. Wright asked what items, if any, remained to be completed by any of the contractors who worked on the pool projects. The Property Manager reported that there were three: 1) the cool deck surface needs patching in a few places; 2) there is a slow leak with the bubbler; and 3) there appears to be a leak (because standing water continues to be seen) between the fence and the sidewalk on the west side of the pool. Mr. Wright asked the Property Manager to contact Mitch of Tar Heel Construction to determine the status of fixing the leaks, and to determine why he has not billed us for the outstanding balance (\$500) for the pool contract. The discussion of this subject revealed the great benefit of a bulletin board at the pool area, similar to the bulletin board at the front gate. The Property Manager agreed to investigate the cost of such an installation and report to the Board.

## **Financial Audit**

Clark Valentiner reported that the CPA has been contracted and the audit has begun. The auditor will be auditing the POA financial records beginning with December of 2012 and continuing through January of 2014, essentially covering the fiscal year of 2013. Mr. Wright asked if the period could be expanded to cover the first six months of 2014 also, since that would include the period of the major expenditures relative to the pool construction. Mr. Valentiner agreed to check with the auditor and inform the Board.

## **September Pig Picking**

Plans are underway for the September Pig Picking, open to all BTL residents and their guests, to occur at noon on the Saturday of Labor Day weekend, which this year is August 30<sup>th</sup>. The BTL Volunteer Fire Department will supply all of the food, for 300

plates, with the POA making a donation to the fire department of \$2100. Only outstanding question was related to drinks: who is to supply them? [After the meeting, it was confirmed with Bob Latham that the BTL VFD will supply all of the food, drinks, paper products and utensils.]

### **August BOD Meeting**

This meeting is scheduled for August 14<sup>th</sup>. Roger Wright announced that he will be out of town and unable to attend that meeting, and he was not certain that Brian Wolf would be available. Thus, the question arose as to whether the meeting should be rescheduled. The decision was made to continue with the plans for the meeting. All Board members were reminded to submit items for the agenda to the Assistant Secretary right away so that an agenda could be produced and made available on the web site.

### **Additional Business**

**BTL Video** – Acknowledgment was made of a video about BTL that is available on a number of web sites on the internet, and of a version that is being played on local TV as a commercial, advertising the sale of properties scheduled for Saturday, August 9<sup>th</sup>. All members praised the quality of the video.

**Fishing Frenzy** - No one in the BTL community has yet volunteered to lead the effort to plan, coordinate and execute the plan for the Fishing Frenzy / Tournament for our youth, now scheduled for the morning of August 30<sup>th</sup>, before the Pig Picking at noon. Time is running short for all of the activity that must take place before that Saturday. A number of people were suggested and assignments made to contact those people and urge them to volunteer.

There being no further business, the meeting was adjourned at 10:12 pm.

Respectfully submitted,  
Lee Hauser  
Secretary