

# *Bay Tree Lakes*

## *Property Owners Association*

### **Board Meeting Minutes**

**January 8, 2015**

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, January 8, 2015.

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, Mick Robeson, and Butch Conklin.

President Roger Wright called the meeting to order at 7:07 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 anticipated, due to pressing business elsewhere. But we do expect the Sheriff to attend the February 2015 Board meeting and Mr. Wright encouraged all POA members to attend. Mr. Wright then informed all that the new tax values for 2015 have not yet been distributed by the Bladen County tax office. They are expected, however, before the end of the month. Some owners in BTL have received a notice that appears to be that declaration, but it is not. According to the tax office, as of January 8<sup>th</sup>, no new tax values have been declared. Clark Valentiner then provided the invocation.

**Approval of Prior Meeting(s) Minutes (December 11, 2014):** Two minor corrections to the minutes that had been distributed to Board members were announced by the Secretary, Lee Hauser. Motion to approve as corrected was made by Mr. Hauser, seconded by Clark Valentiner. Unanimous affirmative vote by those present. The corrected version of these minutes will be posted on the Bay Tree Lakes POA website, [www.baytreecommunity.com](http://www.baytreecommunity.com).

**Approval of Prior Month's Financial Report (December 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 December 2014:

Operations Checking:	\$ 74,490.24
Pool Checking:	\$ 13,782.00
Money Market:	\$ 55,757.44
Total Monies:	\$ 144,029.68

Pool Loan Principal:	\$ 360,742.01
ADA Contract Principal:	\$ 117,368.50

**POA Clerk's Report (December 2014):** Report was presented by Tish Hermann, and is attached herein as Exhibit C. Motion to approve was made by Lee Hauser, seconded by Clark Valentiner. Unanimous affirmative vote by those present. It was noted that the number of lots in BTL that are currently being billed, 452.5, is the same as last month even though a new lot was sold, because two lots were amalgamated as one.

**Property Manager's Report (December 2014/January 2015):** Report was presented by Jim Crayton and is attached herein as Exhibit D. Motion to approve was made by Junior Rideout, seconded by Brian Wolf. Unanimous affirmative vote by those present.

**Business:**

**POA Financial Audits.** Treasurer Clark Valentiner reported that the auditor has issued his report on the completed audit for 2013 transactions. The report is to be reviewed by the Board with the auditor as soon as a meeting can be scheduled, hopefully within the next 24 hours. An additional audit, covering 2014, will be completed and 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 a later time. All members agreed to the postponement.

**Positive Facts of BTL on the Web.** Brian Wolf presented a rough draft of the major positive points identified thus far on this item, working with a team which currently consists of himself and John Ciccarelli. Junior Rideout suggested that the list should also address the water drainage issue. After a brief discussion, Mr. Wright asked Mr. Rideout to pursue this issue and present to the Board any evidence found of water being drained from Bay Tree Lake, explaining that with no clear evidence, it is difficult to ask

the POA to spend any money defending/accusing. It was also pointed out that a video, very complimentary to BTL, exists on the internet and is accessible from several web sites. It would be good to have that video accessible from our POA web site. Lee Hauser moved that the video maker be contacted for permission to put in a link to the video from our POA web site. Clark Valentiner seconded the motion and it passed with a unanimous affirmative vote.

**ARC Development.** Roger Wright reported that he and Jim Crayton had met again with Terry Cox, the architect who has agreed to build the framework and procedures for the Architectural Review Committee going forward. Mr. Cox currently is working out of state but expects his results 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 explained that the report presented to the Board in December has been sent to Cynthia Singletary for a legal review, but no response from her has been received. It was generally agreed by the Board members that the document should not be published, and no proposed actions in the report should be taken, until the legal review has been completed.

**Next Town Hall Meeting.** Roger Wright described his concept of how the Town Hall Meeting, scheduled for February 14<sup>th</sup>, should unfold. Beginning at 10:00, following a breakfast to be cooked and served by the Board members at 9:00, he would like to present the short term, mid-term and long term capital needs for the POA. He proposes identifying each potential capital project, with its time frame and estimated cost, and seeking the wishes of the POA membership as to whether each project should be presented at the Annual Meeting in April. The cost would be shown in terms of an increase in monthly dues. Next, he would like to inform the membership of the current plans for improved Future Financial Management of the POA, as further described herein in the next heading. Finally, the floor would be opened for any member to speak on any subject appropriate to the time and place. Brian Wolf moved, and Lee Hauser seconded, that the Board should proceed with the plan for the Next Town Hall Meeting as just described by Mr. Wright. This motion passed with unanimous consent.

**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, with revenues approaching a quarter of a million dollars per year, so does the need for improved accounting associated with this large

income, the large payables, the long term capital commitments, and so on. There is a need for consistency of accounting principles and practices that transcend the fixed terms of Board members. This could begin with the acquisition of a computer system dedicated to the process and the hiring of a part-time financial manager, reporting to the Treasurer, and incorporating the existing Clerk's position and functions. Mr. Wright proposed that this concept (with probable costs) be presented at the Town Hall Meeting in February, with the intent to hire a paid, professional Finance Manager by May 1<sup>st</sup> of this year. Brian Wolf moved that this proposal of Mr. Wright's be adopted and supported by the Board. Clark Valentiner seconded the motion, and it passed with unanimous consent.

**Re-certify Boat Lift Limitations.** Roger Wright reported on a telephone conversation he had that day with Mr. Pat Godwin of Godwin Manufacturing Co., the constructors of the Boat Lift some forty-plus years ago. Mr. Godwin seemed to be sympathetic to our situation, needing a certification but having no engineering documentation. Mr. Godwin agreed to meet in person with Mr. Wright and John Shaw the following week, beginning January 11<sup>th</sup>, to discuss possibilities.

**Annual Meeting Preparation.** The date for the 2015 Annual Meeting of the POA was agreed to be the second Saturday in April, April 11<sup>th</sup>, as defined in the By-Laws of the association. Roger Wright suggested that the Board should hold a separate meeting, dedicated to planning for the Annual Meeting, in the very near future. Mr. Wright asked Debbi Kettle to ask the Bay Tree Women's Association if they would prepare and present drinks and snacks for the Annual Meeting.

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

**Develop Capital Budget.** Similarly, Roger Wright asked that discussion of this subject be postponed until after the Town Hall Meeting in February.

**Consider Automated Billing.** It had been proposed at the previous Board meeting 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 reported that he had done a preliminary investigation and found that automated billing, drafting a member's bank for payment, and the allowance of credit cards for payment all involved additional costs to the POA. A member could, however, use his own on-line bank to issue dues payments via check to the POA at no additional cost to the POA. In light of the planned consideration of future capital projects, and the probable hiring of a Finance Manager, it was proposed that this topic be postponed for future consideration.

**POA Membership Mailing.** At the Board meeting in December, it was agreed that a mailing should go out in January to all POA members covering the particulars of the Town Hall Meeting in February and requesting email addresses be sent to the Clerk for ease of future communications. At this meeting, the Assistant Secretary was asked to draft the words covering the Town Hall Meeting, the Annual Meeting and the Email request, to be printed on a post card and mailed by the Clerk by January 14<sup>th</sup>.

**POA Member Comments:**

Among a number of questions, Mick Robeson asked if the Horsepen Boat Lift would be included in the Capital Projects list. Roger Wright replied that he expected it to follow the main Boat Lift Certification Project.

There being no further business, a motion to adjourn was made by Clark Valentiner, seconded by Lee Hauser, and passed at 9:41 pm.

Respectfully submitted,

Lee Hauser  
Secretary

**Exhibit A**

***Bay Tree Lakes***  
***Property Owners Association***

**Board of Directors Meeting Agenda**

**January 8, 2015**

Call to Order and Welcome Members and Guests	Roger Wright
Invocation	Clark Valentiner
Approval of Prior Meetings Minutes (December 11, 2014)	Lee Hauser
Approval of Prior Month's Financial Report (December 2014)	Clark Valentiner
POA Clerk's Report (December 2014)	Tish Herrmann
Property Manager's Report (December 2014/January 2015)	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. ARC Development	Roger Wright
5. Governance Review Committee (GRC) Report Recommendations made at December 11, 2014 Board Meeting, Discussion/Action	Lee Hauser
6. Next Town Hall Meeting (February 14, 2015)	Roger Wright
7. Future Financial Management	Roger Wright

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|-----|---|------------------|
| 8.  | Re-certify Boat Lift Limitations        | Jim Crayton      |
| 9.  | Annual Meeting Preparation              | Roger Wright     |
| 10. | Develop 2015 Operating Budget           | Clark Valentiner |
| 11. | Develop Capital Budget                  | Roger Wright     |
| 12, | POA Membership Mailing in January       | Tish Herrmann    |
| 13. | Consider Automated Billing and Payments | Clark Valentiner |

**New Business:**

**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 – December 2014**

	<b>TOTAL</b>
<b>Income</b>	<b>(\$)</b>
Non-Profit Income	
Dues	3,699.07
Pool	1,476.00
Total Non-Profit Income	5,175.07
Total Income	5,175.07
<b>Expenses</b>	
Building cleaning	450.00
Building fire protection	75.00
Cost of Labor	
Certified Pool Operator	105.00
Clerk	600.00
Property Manager	1,000.00
Total Cost of Labor	1,705.00
Funds transfer	
Interest Paid Pool	1,551.95
Principal Paid Pool	3,745.09
Total Funds transfer	5,297.04
Grounds	
Trash removal	37.50
Total Grounds	37.50
Member Event	306.04
Office Expenses	
Bank Charges	9.95
Internet	72.69



Postage	49.00
Quick Books Online	26.95
Telephone	300.82
Web site	9.90
Total Office Expenses	469.31
Repair & Maintenance	
Canals	51.49
Clubhouse	14.82
Exercise Room	186.24
Gate	75.00
Pool	22.66
Total Repair & Maintenance	350.21
Trailer storage facility	85.00
Utilities	
Electricity	786.34
Sewer	160.00
Water	36.28
Total Utilities	982.62
Total Expenses	9,757.72
Net Operating Income	-4,582.65
Net Income	-4,582.65

Tuesday, Jan 06, 2015 05:39:45 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

**January 8, 2015**

December 31, 2014 Outstanding Dues: \$25,942.79  
December 31, 2014 Credit Balance: \$1,804.45

## **Lots reported sold December 2014**

<b>Buyer</b>	<b>Lot</b>	<b>Home</b>	<b>Seller</b>
Lee & Nancy Hauser	56	Elizabethtown, NC	Houston Warren*
Anthony & Gail Migliara	420	Wilmington, NC	Steve Tatum
Anthony & Audrey Cheeyou	283	Laurel, MD	New Lot**
Tomahawk Land Carolina II	906	Harrells, NC	South River Land Co.
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\*Amalgamated with lot 57

\*\* New Lot

Billable Lots remain 452.5

## **Billing January 1, 2015**

452.5 Lots	\$57,015.00
Interest	778.18
Outstanding Dues	<u>25,942.79</u>
Total Billed	\$83,735.97

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## **Exhibit D**

### **Property Mgr. report Dec2014/Jan2015**

I have issued several new owners their windshield tags and gate cards and I can report that we have some really nice additions to the community. I have been trying to spend some time with each of them to make sure they are aware of the Covenants, the web site and in general how things work here. Otherwise, this has been a relatively slow month at Bay Tree.

As you remember we had the Christmas Tree lighting in December. Earlier this week we un-decorated the tree and have all the decorations in storage.

After the last meeting we replaced several light bulbs in the clubhouse with new LED bulbs. I have purchased several new LED bulbs for the gatehouse. Last January I installed two LED floods at the gatehouse and they are still burning. Each of the other six floods have been replaced at least three times making it obvious that the LEDs are the way to go.

I have worked with Donovan in getting the pool winterized and the water is now cold enough that we don't have to add anything too it. I also installed the new bulletin board at the pool.

I have purchased and installed a new cabinet for the AED in the kitchen and put a sign in the lobby. I would like to purchase another similar unit so we don't have to move it around.

I have been working with Red Mote in getting the piles burned and he has separated things into three piles and will burn them one at a time as soon as it rains again.

I am still trying to get more bids on the pier but so far the one from Jim Woodruff (approx. \$40K) is the only one I have. Lee gave me some names from the coastal area but I have not heard back from them yet.

I also spent time researching the Bay Tree boat lift re-certification project. As I reported in the planning meeting, the lift has not actually been certified. What we have is an opinion letter from a structural engineering firm that states that they "think" the lift will safely handle a 5,300 pound load. That is based on their statistical modeling of the frame work. However, they did not have figures for the winches or the foundations and therefore did not formally certify the lift. At this time we are still working on contacting Godwin Mfg. (the original builder) for the plans.

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