



BELEWS LANDING HOA
BOARD OF DIRECTOR MEETING
August 22, 2012

I. Quorum

In attendance were all five newly elected officers: President Steven Black (two-year term), Vice President Donna Sirkis (two-year term), Treasurer Michael Lentz (one-year term), Secretary Bonnie Wrisley (one-year term), and Member-at-Large Penny Glover (one-year term). Bonnie will send the roster of officers to Darlene Ward at the management company.

II. Old business

- A. Street lighting: The Board has agreed to install street lights in Sailing Point and in Phase III. The lease will be for 10 years and it pays for 14 additional poles and the electricity. The costs for these 14 poles and power will be \$521.36 monthly, bringing the total cost of lighting to \$1,021.00 per month.
- B. State maintenance and road repairs: An inspection is being conducted by the NC DOT and the development company with the desired outcome to have the Windward roads turned over to the State by the end of 2012. The development company has agreed to pay for necessary changes to the Windward roads and will present the HOA with a punch list of lots that need changes.
- C. Duke lease: Steve has spoken with Dale Brooks, Duke Energy, regarding those residents who are refusing to pay their waterfront lease. There are two options for the resolution of this long-standing problem. The first is maintaining a master lease and the second is to have individual leases with Duke that the HOA manages and collects.
- D. Waterfront: We now have three common waterfront areas.
- E. 2010 CCR's:
 - a. Background – In 2005, the original declarations were recorded. However, these CCR's omitted the legal exhibit identifying the properties linked to these deed restrictions, making it legally defective because it did not bind any real estate. In 2009, a committee of HOA members was formed, to re-write the CCR's.
- F. CCR's: As of this date, three lot owners have not signed the 2010 CCR's.
- G. Directors and officers errors and omissions coverage: An application was submitted to secure coverage for actions of good faith in regards to duties carried out by the directors and officers on behalf of the HOA. The insurance company remains concerned about the development company having a significant number of votes; however, since

the development company no longer holds a majority of the votes, Steve will re-submit the application to the insurance company.

- H. Amendments: Two amendments have been proposed but the necessary number of signatures has not been obtained. The HOA will ask Dave Keeney to form a committee to work on this process. (See Addendum A for proposed changes.)
- III. New business
- A. Golf cart path improvements: Some paths have been improved. Penny will review landscaper's contract in anticipation of a new bidding cycle.
 - B. Gonzalez property: The Board will review the architectural plans that were approved for the landscaping of the Gonzalez property since they are experiencing a water problem near their basement.
 - C. Amendment for an increase of minimum building square footage: Sean has requested the HOA amend the CCR's to increase the amount of minimum square footage. The Board discussed Sean further restricting lots he owns but not other lots that have been sold but not yet improved. The Board will re-visit this in the future.
 - D. Funds owed: The development company owes \$7,457.50 in back dues. See attached list of lots in arrears. The HOA will ask the development company to make payments until current or make a lump sum payment when the next lot sells. The Treasurer will send letters to all lot owners in arrears.
 - E. Budget: Mike will head up the budget committee and has offered to review the budget and propose a new one along with projected long term budget issues to be considered in future planning.
 - F. Expenses:
 - a. Mike made motion to pay Austin \$50.00 for website costs.
 - b. Steve made a motion to reimburse Bonnie \$73.58 for ballots.
 - c. Bonnie made a motion to reimburse Steve - \$50.00 for court filing cost.
 - d. All motions were seconded and passed with a unanimous vote.
 - G. ARC: The ARC makes decisions autonomously and the HOA does not have a clear understanding of the methodology used when interpreting the CCR's. The HOA will ask the ARC to make a presentation at each monthly meeting regarding all submitted applications.
 - H. Document storage: Bonnie will research the purchase of a storage unit for records.

The next meeting of the BL HOA Board of Directors will be on
Wednesday, September 19, 2012 at
5:30 p.m. at the
Belews Landing Clubhouse.

ADDENDUM A

2012 Proposed Amendments to the Declaration of Covenants, Conditions, and Restrictions

CC&R Amendment Proposal 1:

(Comment: Revise Article IV, Section 3, paragraph (a). As written, it is not in compliance with the North Carolina Planned Community Act, paragraph 47F-3-103)

ARTICLE IV: COVENANT FOR MAINTENANCE AND ASSESSMENTS, Section 3. Adoption of Budget and Fixing of Annual Assessments, Maximum Annual Assessment.

(a) At least thirty (30) days in advance of each annual assessment period, the Executive Board shall establish an annual budget and fix the amount of the annual assessments in advance for the following year. Within thirty (30) days of the adoption of any proposed budget, the Executive Board shall provide to all of the Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. In establishing such annual budget, and in fixing the amount of such annual assessments, the Executive Board, in its discretion, may consider other sources of funds available to the Association, including, without limitation, any subsidy by the Declarant, which subsidy, in the sole discretion of Declarant, may be in the form of a contribution. Any such subsidy or contribution in the nature thereof shall be disclosed as a line item in the budget. The payment of any such subsidy in any year shall under no circumstances obligate Declarant to continue payment of such subsidy in future years. The Declarant shall pay the regular assessment for any lot upon which it constructs a dwelling. The obligation of Declarant to pay the regular assessment for a lot on which it constructs a dwelling shall commence when the certificate of occupancy is issued. The Executive Board shall set a date for a meeting of the Owners to consider ratification of the budget, such meeting to be held not less than 10 nor more than 60 days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified, unless at that meeting, a majority of the Class A members of the Association rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

CC&R Amendment Proposal 2:

(Comment: Revise Article IV, Section 3, paragraph (d): As written, a dues increase of more than 10% requires approval of 2/3 of all Class A members. The proposed amendment would allow a dues increase upon approval by 2/3 of Class A members in attendance by person or proxy at a duly called meeting.)

ARTICLE IV: COVENANT FOR MAINTENANCE AND ASSESSMENTS, Section 3. Adoption of Budget and Fixing of Annual Assessments, Maximum Annual Assessment.

(d) Any proposed increase in the maximum annual assessments greater than ten percent (10%) of the previous year shall require approval by 2/3 of the Class A Members of the Association who are voting, in person or by proxy, at a meeting duly called for this purpose; provided, however, during any Period of Declarant Control, Declarant must also consent to such action.