

**Seven Lakes West Landowners Association
Board of Directors' Work Session
Tuesday, October 9, 2007
West Side Park Community Center**

Call to Order:

The meeting was called to order at 8:03 a.m. by the President. Present: Hugh Beckwith, Mary Anne Fewkes, Jim Haggard, Kathy Kirst, Ray MacKay, Jo Nicholas, and Blaine Rowland. Absent: Bill Mamel and Ed Tuton. Also present: Tony Robertson, community manager. A quorum was established.

Secretary's Report:

In absence of secretary, Jim Haggard summarized email correspondence as below:

- Mailhouse display
- Unauthorized entry to Morganwoods
- West Side Park community sign
- Excessive noise at Johnson Point
- Fire hydrants
- Speeding on Longleaf

Jim also circulated the absence calendar for board members to complete. Minutes of September 11, 2007, September 17, 2007 and September 25, 2007 were approved.

Treasurer's Report:

Kathy Kirst presented the Fund Status, Profit/Loss report and check detail for the month. The check detail was approved without objection. She also explained that the audit is continuing to be held. One question about the Johnson Point rental showing a negative in the Profit/Loss report was explained by homeowner deposit checks being deposited last April with the revenue recognized in the last fiscal year. At the beginning of this fiscal year (May) all income and expense account were reset to zero. However refunds for those deposits were charged against the JP account in the current fiscal year. So revenue occurred in one year and the refund (charges against that income) occurred in the following fiscal year.

Committee Reports:

1. **Infrastructure:** Ray emphasized the importance for boat owners to make sure boats are placed in the correct bay in the Boat Yard. Residents are storing boats in unauthorized bays. All spaces are assigned. Suggestion of names on bay areas is being considered.
2. **Lake/Dam:** Mary Anne Fewkes discussed that she received a concern of lake lowering. She emphasized that several committees are being formed on how to handle this issue. A Johnson Point committee is examining the water level and docking as well as launching ramp. Paul Kirst and Bud Sales are focusing on lake rules that may need modifying. The dam engineer is working on the dam remediation proposal. Paul Kirst is also examining the speed of the lake lowering. The process will be slow according to Mary Anne. The community

- will be notified of all events. Jim Haggard mentioned that the Sports Club has monies they want to invest in stocking the lake. Charlie Flinchum explained that there are plenty of bass, however, their food level is diminishing. The club wants to introduce diseased-free shiners that can breed faster. Mary Anne will attend the meeting being held tonight.
3. **Recreation:** Jo Nicholas shared another success with the “Beer Tasting” event. Upcoming event soon is the “Trunk or Treat”. Support is greatly appreciated to all community members who came out and enjoyed a great evening. The committee looks forward to more participation in the Halloween event—a treat that is safe for our children!
 4. **ARC:** Bill Mamel was absent. Kathy Kirst explained that Long Range Planning Committee had also met with ARC in regards to their needs in designing a data system for the community.
 5. **HOA Management Company Report:** Ron Sickenberger, chairman of the Personnel Committee, shared information in regards to the Association working with a Management Company for running the office. This information was sought out in regards to the retirement of the current manager in 2008. Ron explained that a management company can give many services at perhaps a lower price for the association. CAS (Community Association Services) was contacted to give information about their company. The company currently works with Middleton Place in Southern Pines. It is thirty one years old and has an attorney and CPA on staff. They have certified managers of community associations, fully staff customer services, and great information data system available. A proposal was presented at \$1.50 per door for accounting and administration which provides a manager and one employee who would work for the association but be retained by the management group. The package would cost about \$70,000 annually (salaries, insurances, taxes, etc as well as management fee is included). There would also be a savings of about \$5000 for copying expenses that would be completed by the company. The Board decided to examine the proposal with further discussion after the upcoming budget process as well as obtain full needs of the community.

Unfinished Business:

- **Open Burning:** A brief discussion was held in regards to this issue that had been tabled since last meeting. Rules and regulations need to be modified. Blaine Rowland will reexamine the covenants in regards to open burning and share with Board.
- **Emergency Notification Procedures:** Jim Haggard explained that he had sent a letter outlining the process in case of emergencies. It was decided that when the emergency arises, he would contact all Board members for first tier of calling, who would then work with Area Representatives in alerting the telephone tree for their areas.

New Business:

- Mail House Displays: A concern was addressed in regards to the many displays at the mailhouse and the disorganization of materials. Betsy Mikula has offered to arrange the displays. Jo Nicholas will assist Betsy in organization.
- Johnson Point Noise Level: Discussion was held in regards to noise level with one event that occurred recently. Mary Anne will have a recommendation to modify the Johnson Point application of usage.
- Gateway II: Hugh Beckwith shared information in regards the history of this project. Ron Myers is the owner of this tract. He presented information about the concept of building townhomes instead of single family residences similar to Light Horse Trace in Aberdeen at a general meeting last spring. Ron has asked if the Association will support this proposal. It would require a covenant change to get approval for attached dwellings. Hugh will contact Ron to invite Ron to return for a general session to discuss this concept again and to present conceptual site plan.

Members' Comments:

Several members participated in the comments portion of the agenda:

- Patti Cleary—Area Representatives on Emergency Procedures
- Carolyn James—Dam information, master plan status and questions from email.
- George Jenner—Designing data system and management association overlaying one another on systems, Developer vs builder in data system and dues.
- Grace Behrens—Loop the Lake Opposition and presentation of two petitions
- Betty Parker—Loop the Lake Opposition
- Gene Lentz—Water Conservation—restricting lake water usage during State 3 as well as country club watering daily.
- Joe Cavala—Association property identification—his property survey states different numbers. Ray will assist him.
- Tim Niewald—Loop the Lake Support.

New Business: (continued)

- Loop the Lake: Ray distributed a handout on walking trails maintenance. A mile of trail could cost \$3000-4000 annually if only minor maintenance problem. Also there will be a need to have a certified pesticide applicator when that is needed. Currently we have thirty two miles of road for maintenance at a cost of \$130,000 annually—just mowing and trash removal. There are strong feelings on both sides of the issue. Jim suggested that a compromise be made to give authority to complete a one mile stretch without any Association funding. After discussion, the Board decided to table this suggestion until the December work session and after the budget retreat.

- 2008-2009 Budget: Kathy Kirst presented the Board with the last three years actuals and current budget. Each board member is asked to present a budget by October 17, 2007. The Financial Retreat will be held at Eagle Springs Inn on November 13, 2007. The proposed budget would then be presented to the community at the November general meeting.

Executive Session:

Without any opposition, the Board moved into Executive Session at 10:53 a.m. to discuss legal affairs. A motion to move out of Executive Session was made by Mary Anne Fewkes and seconded by Jo Nicholas. Executive Session ended at 12:00 noon.

One new business item was shared by Jo Nicholas, representing the Nominations Committee. The committee felt strongly that the Wall of Honor award should be eliminated since we have so many community members that go beyond the call of duty always. The award is very subjective in the selection process. The committee felt strongly that Joe Fellingham should be the only recipient to achieve this recognition—being the Pioneer of the community. The Board asked Jo to research to history of the award's conception to be presented at the November work session.

Adjournment:

Without objection, the meeting was adjourned at 12:10 p.m.

Submitted by:

Jo Nicholas, (in absence of Ed Tuton)