

**Lake Jeanette Association, Inc.**  
**Annual Meeting Minutes**  
**November 10, 2014**

**Board Members:**

Dixon Johnston, President; Scott Fleming, Vice President;  
Richard Conner, Treasurer; Steve Loflin, Secretary; Kerrigan  
Smith, Member at Large

Deborah Roskelly, Roskelly Management Associates (absent due  
to surgery)

**Members Present:**

Signed Member Rosters and Proxies are on file. Attendance is  
counted by lots not by people present (ex. husband/wife count  
as 1 in attendance not 2). Village Representation follows:

	<u>Present</u>	<u>Proxy</u>
Northern Shores:	6	32
Northern Shores Estates:	1	2
DayBreak Square:	1	15
Southern Shores:	5	23
Waters Edge:	5	5
The Grande:	3	3
Checkerberry	3	10
Dutchman's Pipe	1	0
Rosebay	1	2
Laurel Cove	1	2
Indigo at the Lake	0	10
Eastern Shores Estates	0	0
Turnstone Village	2	3
Kinglet Commons	1	12
Cape May	6	12
Dunlin Square	0	4

Total Present/Proxy = 171

**Quorum Established**

93 Non Lakeview & 24 Lakeview lots establish a quorum (in  
person or by proxy). A quorum was established for this meeting.

**Mailings and Handouts:**

In accordance with the Governing Documents the Annual Meeting Notice Packet was mailed to each  
member at least 30 days prior the Meeting and included:

- Meeting Notice
- Agenda
- 2014 Accomplishments
- Proxy

**Introductions:** The meeting was called to order at 7:00 p.m. Dixon Johnston introduced the current Board members and thanked them for their service to the community. Dixon announced that Kumar Vansh Bhardwaj resigned from the Board in October due to work obligations and that the Board had appointed Kerrigan Smith to complete Kumar's board term ending December 2014. Dixon also announced that the following Board members' terms expire in December 2014 and that each Board member has requested to run for re-election for another two year term ending December 2016.

Dixon Johnston, current President  
Scott Fleming, current Vice President  
Steve Loflin, current Secretary  
Kerrigan Smith, current Member at Large

There were no nominations from the floor so a motion was made, seconded, and unanimously approved to re-elect the above noted members to the Board of Directors for an additional two year term.

**President's Report:**

1. **Association Dues:** There will be no increase in HOA dues for 2014. Dues remain as follows:

Lake View Lots            \$660 annually  
                                         (\$330 due by Jan. 1<sup>st</sup> and \$330 due by July 1<sup>st</sup>)

Non-Lake View            \$330 annually  
                                         (\$165 due by Jan. 1<sup>st</sup> and \$165 due by July 1<sup>st</sup>)

2. **Guilford Wildlife Club (GWC) Annual Usage Fee:** To correct an inequity between the fee paid by the GWC in relation to homeowners' dues and qualifying non-resident memberships at the Marina, we have approached the GWC to change the terms of Lake Jeanette Association's (LJA) contract with them. Homeowners pay dues in the amount of \$330 to \$660 a year and a large percentage of their dues cover maintaining the Lake and Marina facilities. Qualifying non-resident members pay \$150 a year for a Marina membership. The GWC currently pays LJOA 35% of their membership fees, (which have been \$75 and \$100/year). This percentage payment is approximately \$9,000 per year and does not represent a fair and equitable payment schedule, since GWC members receive the same privileges and access to amenities that homeowners and non-resident qualifying members receive.

Subsequent to the Annual Meeting, Dixon Johnston, Board President and Deborah Roskelly, Operations Manager met with Jimmy Wall, GWC President and Clark White, GWC Treasurer and explained the need for the GWC to pay an equitable amount relative to the amount paid by Lake Jeanette homeowners and non-resident qualifying members for the use of Lake Jeanette and the Marina facilities.

GWC leadership indicated that LJA's proposed agreement requesting \$36,000 per year was taken to their Executive Board and it was voted down. LJA believes the requested annual fee is fair,

equitable, and affordable. Rosters submitted to us by the GWC this year show an average of 305 members during the year 2014 (Jan. 303, July 340, October 310, and November 264).

The nature of the Guilford Wildlife Club has also changed over the years from a wildlife club to a fishing club. The GWC was formed to protect and maintain the wildlife and natural nature of the area while actively patrolling and maintaining the lake. Those functions were neglected years ago forcing Lake Jeanette Association to contract with outside vendors to perform this work.

GWC members who currently have a rental agreement with Lake Jeanette Association for a boat slip, canoe/kayak rack space, or dry dock storage space, will be able to use the facilities through the end of their rental term.

3. **Operating Budget:** Dixon referred members to their Operating Budget handouts. The 2015 Operating Budget showing projected revenue totaling \$538,660 against projected expenses totaling \$507,660 was approved by the Board of Directors on October 13, 2014.

The Association's Operating Budget is not posted on the HOA website because it compromises contractor bidding processes when a contractor can view each line item prior to submitting a bid. As noted above, projected 2015 revenue is \$538,660 and is comprised of dues payments, Marina rentals, Guilford Wildlife Club (GWC) usage fees, and interest income. The Operating Budget includes a \$30,000 transfer to the Association's capital reserve fund. Expenses comprise the following:

- Electricity/Lighting
- Electrical Maintenance Work
- Telephone/Internet/Cell Phone at Marina
- City Water/Sewer – 16 irrigation systems and Marina bathrooms
- Routine General Maintenance of over 1 million dollars of Master Association assets
- Pedestrian Bridge Maintenance
- Mowing of all Common Area Property
- Irrigation Maintenance – monitoring and repair of 16 irrigation systems
- Shrub and Bed Maintenance for all Common Area Property
- Annual Flowers and Plants
- Trail and Trash Maintenance and maintenance of Fido Bag Stations
- Annual distribution of pine needles in all common areas and touch ups throughout year
- Tree Removal
- All management contracts – property and operations, accounting, Marina staffing contract, Annual Audit and Tax Preparation,
- Legal fees
- All lines of insurance coverage for both the HOA and Marina – General Liability, Property, Directors and Officers, Watercraft, Umbrellas
- Property Taxes
- Marina Credit Card Processing Fees

- HOA Communications – Constant Contact Fees – management of Constant Contact database, distribution of mass e-mails, website, office expenses
- Annual Capital Reserve Transfer

- a. Bids were accepted for the Lake Jeanette **Marina Staffing Contract** and as a result, the Board unanimously agreed to move from the current contractor to Pool Professionals of the Triad recognizing an annual savings of \$6,554. The Marina will be open but the office will not be staffed during the months of January, February, November and December each year. These months do not generate enough revenue to justify staffing the office. The Association’s historical revenue shows that over seven years only \$175 was collected in January, \$38 in February, \$295 in November and \$85 in December. The Marina hours will remain 6 am to 10 pm Tuesday through Sunday. Office staffing hours during seasonal operations, March – October will be increased in 2015 and will run from 9 am to 9 pm Tuesday – Sunday. The lake will be patrolled daily throughout the year (excluding Mondays when the Marina is closed).
- b. Bids were accepted for the **Lake Jeanette Accounting Contract** (bookkeeping) and as a result, the board unanimously agreed to move from the current contractor to Haynes Strand & Company PLLC. Overall savings are anticipated to be upward of \$3,000 annually. Haynes Strand will assign a CPA to manage and perform the day-to-day work specific to the Association’s account and also insures seamless services if our assigned CPA experiences an absence.

4. **Annual Audit and Tax Preparation:** Councilman, Farlow Marlowe and Co. PLLC prepared the annual tax return and audit for 2013 and will also do the same for 2014. A copy of the 2013 Audit is available for review upon request.

5. **Capital Fund Plan**

The Capital Fund Plan is a schedule of the Association’s assets and the amount of funding that is required to conduct major repairs and/or replacement over a 20 year period. The funding schedule is reviewed annually by the Board and a provision of \$30,000 has been determined to be a reasonable and conservative amount for annual funding for the foreseeable future. The 2015 Fund Plan beginning balance totals \$149,075. Capital expenditures currently planned for 2015 total \$17,000 in landscape upgrades to the Marina grounds and village entranceways.

**The Floor was Opened to Member Questions:**

Q. **How many chairs are allowed to be placed in the buffer zone?**

A. This written response in the minutes is a correction of the answer given at the Annual Meeting. Years ago a previous Board published a letter saying two wooden chairs were allowed in the Buffer. ITG owner of the Lake corrected the Board and required the Board to enforce the Buffer Zone Policy as written.

The Buffer Zone Policy which has been in effect since 1995 with a 1996 Addendum addressing items in the buffer mandates that no items of any kind may be stored or placed in the buffer zone. The buffer is to remain in its natural and unimproved state. This is to avoid disturbing vegetation and the flow of rainwater to the lake.

Lake View lot owners are obligated to comply with this policy through the purchase and deed of their lake view lot and the Master Board of Directors are obligated to enforce the policy via the Lease Agreement with International Textile Group (previously Cone Mills) who owns Lake Jeanette and the 50 foot buffer around the perimeter of the lake. Following is an excerpt from the 1996 Addendum to the policy. The entire policy may be viewed or downloaded at [www.Ljvillages.com](http://www.Ljvillages.com)

**Policy Excerpt: "The ingress/egress easement agreement granted by Cone to Lake View lot owners requires that Zones 1 and 2 of the Lake Jeanette easement area must be left in a natural and unimproved state. This easement grants movement across the property for permitted purposes of boating and fishing, but does not allow the storage of property of any kind in the zones. This includes, but is not limited to, boats, furniture, planters, hammocks, yard waste and other such items. These items impede the natural infiltration of water and kill vegetation and ground cover. Also, the natural look of the lake's edge is changed when these objects can be viewed while on the water."**

**Q. Does the Master Association maintain the trails in Turnstone Village?**

A. The Master Association maintains trails that sit on Master Association common area property. Individual Village HOAs maintain their village trails. A list of Master Association trails may be viewed or downloaded from the Association website, [www.Ljvillages.com](http://www.Ljvillages.com) The following villages maintain trails within their villages: Turnstone, Dunlin Square, Kinglet Commons, Cape May, Dutchmans, Indigo, Rosebay, Checkerberry Square, and Laurel Cove.

**Q. Can the Association install "No Parking Signs" along Baytree where Richland Creek enters Lake Jeanette? The road gets congested in this area and beer trash and debris is often found in the creek/ravine that flows into Lake Jeanette.**

A. Deborah Roskelly contacted the City of Greensboro 11/19/14 and requested that the City install No Parking Signs at this location. The signs should be installed within the next 60 days.

The meeting was adjourned at 8:30 p.m.

Respectfully submitted,  
Scott Fleming, Vice President