

Minutes of the Seventh Annual Membership Meeting of the Cove Pointe Owners Association, Inc.

Date: Wednesday, September 26, 2012
Time: 5:30 p.m.
Location: St. Andrew Bay Yacht Club Sailing Center
218 Bunkers Cove Road, Panama City, Florida 32401
Attendance: **Officers & Directors:** Buddy Dye, President/Director; Chris Reiss, Treasurer/Director; Tom Neubauer, Secretary/Director; Roger Spencer, Director.

Members/Lots:

Paul Dick (Lot 12)
John "Buddy" Dye (Lots 24 and 25)
Leigh Mathis (Lot 13)
Mable Neel (Lot 3) represented by Roger Spencer (proxy)
Tom and Margaret Neubauer (lot 34);
Mike Nichols (Lot 23) represented by Tom Neubauer (proxy)
H. Cranston Pope (Lots 18 and 21) represented by Roger Spencer (proxy)
Christine Reiss as representative for Cove Preservation Partners, Inc., for lots 8,32,36,43,44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 57 and 58 – Class B Votes
Cove Pointe Holdings, LLC; by Christine Reiss (lots 40 & 42);
Mary Reihle (Lot 41)
Steve McClain (Lot 33)
Shirley Spencer (Lot 1) represented by Roger Spencer (proxy)
James Thayer (lot 30) represented by Roger Spencer (proxy)

The meeting was called to order at 5:30 PM by Buddy Dye.

- (1) **Election of Meeting Chairman:** A motion was made by Christine Reiss and seconded by Tom Neubauer to appoint Buddy Dye as meeting chairman. The motion passed by unanimous vote.
- (2) **Call of Roll and certifying of Proxies:** Attendance was taken by individual sign-in and the secretary acknowledged the attendees constituted a quorum. A total of 15 Class A members were registered (per above) and 17 Class B members for a total of 32, exceeding the requirements for a quorum
- (3) **Proof of Notice of Meeting:** Buddy Dye noted for the record that the meeting had been properly noticed. The statement was executed by Tom Neubauer as Secretary/Director. (attached)
- (4) **Minutes of Previous Annual Meeting:** A motion was made by Mrs. Reiss to approve the minutes of the September 22, 2011 annual Meeting. The motion was seconded by Tom Neubauer and the minutes were approved by unanimous vote.

(5) Financial Report Christine Reiss reviewed the association financials and explained each revenue stream, noting that the good cash standing is aided by the transfer fees which are collected at the time any lot is transferred. Mrs. Reiss also noted that the association has been successful in recovering all annual assessments on the foreclosed lots as the banks are made aware of the requirement for any new owner to pay previous assessments. It was noted that there is a home currently in foreclosure and the bank is already aware of the obligation to pay annual assessments.

Mrs. Reiss also explained the income and expense details used to draft a proposed budget for 2013. The budget estimate was based on year-to-date data through 22 September 2012 and the proposed assessment of \$500 may be adjusted slightly if there is any substantial deviation in the income or anticipated expenses between now and the end of the year. It is anticipated that the board will adopt a budget after review of the year-end data which is likely to support the proposed annual dues assessment of \$500 per lot.

Mrs. Reiss reported that all lot owners are current on dues assessments with the exception of two owners who have historically paid prior assessments. It was also reported that Cove Point Owners Association has received total income through September 22, 2012 in the amount of \$27,165.18 and there is a balance in the operating account of \$28,738.12, balanced through July 31, 2012. Cash requirements of \$10,403.78 including \$479 in additional income are anticipated through year-end, projecting a balance of \$18,334.34. Based on the proposed \$500/lot assessment and a budgeted \$5,939.02 shortfall for 2013, the projected cash on hand December 31, 2013 is \$12,395.31.

Mrs. Reiss further reported that the Cove Pointe Owners Association reserve account has a balance of \$13,329.07 as of July 31, 2012, which included \$62 in interest that was subsequently transferred to the operating account. Additionally, it was noted that the CPOA Park Fund account which began the year with a \$12,000 balance has an August 1, 2012 balance of \$8,800 after payment for the park improvements in the amount of \$3,200 paid to HerbaFex for planting of Crape Myrtles.

There were comments from members about the attractive improvements made to the park area and president Buddy Dye was thanked for his efforts in securing bids and coordinating the work.

(6) Report of Committees: For the Landscape Committee, Mr. Dye reported: (a) HerbaFex continues to perform and is responsive. Based on their performance Mrs. Reiss reported that the board elected to enter into a two-year renewal to lock in the same price. Mr. Dye also reported on the status of subdivision mowing; although four cuttings were budgeted weather allowed for just three cuts, with the 3rd cut anticipated for early November. This will result in a cost-savings. There was some discussion by members that certain areas of the subdivision were not being mowed because the equipment apparently could not fit into some of the tight spaces. It was also suggested that we might need to reconsider skipping the 4th bush-hog since

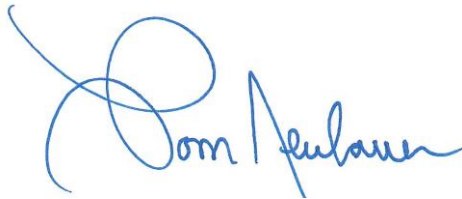
some areas are not as attractive as they could be. A four-times per year plan has again been budgeted for 2013.

Mr. Dye also reported that one of our irrigation wells had been hit by lightning, destroying the pump, timer and even the well casing itself. Dr. Roger Spencer took on the project of securing bids from two providers and contracted with Culligan Water Services to replace the well and equipment which is nearly completed. The cost has been factored into the 2012 financials from which the 2013 draft budget has been derived.

- (7) Election: The group agreed that the election of 2013 directors should be open and thereby waive the need for paper ballots and requirement to appoint inspectors. It was noted by Mrs. Reiss that the class A members may elect two directors. And class B members select three. Mrs. Reiss made a motion to reappoint the current officers, Mr. Dye and Mrs. Tammy Newton for class A votes. Mr. Dye agreed to continue to serve and it was reported that Mrs. Newton had also agreed to serve if re-elected. The motion passed by unanimous vote. A nomination was made by Mrs. Reiss on behalf of the class B votes to retain the current directors, Tom Neubauer, Chris Reiss and Roger Spencer. The motion was seconded and passed unanimously.

There was no further new or old business and the meeting was adjourned at approximately 6:15 PM

Cove Pointe Owner's Association, Inc.



(Approved at annual meeting 10-23-2013 – Agenda Item #4)

Tom Neubauer, Secretary