

Black Rock Development Owners Association, Inc. (BRDOAI)
Annual Meeting
December 3, 2016

1. The annual meeting was held at the Chowan County office building located on Freemason Street, Edenton. Thirty (30) members attended and participated in the discussion.
2. The meeting was called to order at 3:00 p.m. by the President, Ken Rome. Ken welcomed the membership, thanked them for their participation and reviewed the meeting agenda.
3. President's Report:
 1. Ken delivered a summary of accomplishments in 2016 and extended special thanks to:
 - Committee Chairs – Ted Good, Landscape Committee; Cindy Davis, Architectural Control Committee; and Cyndy Duffield, Governing Document Committee and all those who contributed to the Committee efforts.
 - Freddie Todd for his dedication to maintaining exceptional appearance of community against an unusually vigorous growing season this year, his willingness to assist owners with response and advice, his outstanding efforts with the challenges from storm recovery, his assistance to the Landscape Committee with its projects and his help with Community Day.
 - Ted Good for his leadership as Landscape Committee chair in year with a particular set of challenges and providing superb planning and execution of numerous Landscape Committee projects, in addition to providing oversight for the stairs installation project and leading the response to storm damage. Ted continues to provide valuable assistance with the storm water management survey and provides support to the Architectural Control Committee and many other valuable "one-offs."
 - Ginny VanDongen, Margaret Adams, Karen Sours and Eric & Heidi Schrecengost for delivering our best Community Day to date.
 - Roman and Natalia Dobransky as members of the Landscape Committee for their efforts with flower bed installation and maintenance, sod installation and storm damage recovery and much more.
 - Ted Good, Pete Small, Jerry Collis, Joe Honig, Roman Dobransky for pier staining (Ted/Roman) and shortly thereafter, pier storm repair (all).
 - Tom Griffin for coordinating access to the Chowan County office building for the annual meeting.
 - Ken welcomed new owners to the community:
 - Mike & Kelley Stoop
 - John & Karen Belser
 - Provided broad overview of the Governing Documents Committee efforts to update the Covenants, deferring specific comment to that presentation later in the agenda.
4. Treasurer's Report:
 - Cyndy Duffield reviewed the annual profit and loss statement for 2016, including collection of income, description of expenses, surplus funds and described the 2016 deposit to the Reserve Fund for future use.

- Ken Rome presented four (4) proposals for the 2017 budget. Three of the four proposals did not include an increase in our annual assessment. However, without an increase, certain of the projects for 2017 would not be funded and/or not all of the \$14,000 contribution to the Reserve Fund would be made. The owners present agreed that there had not been an increase in assessment in over four years and therefore agreed a modest \$15 per year increase seemed reasonable.

A motion to increase the Annual Assessment from \$450 to \$465 was made, seconded and passed without objection.

5. Secretary's Report:

- Ken Rome described the meeting dates for the Board of Directors.
- He then reviewed the status of the Storm Water permit compliance and highlighted adjustment made to the swales in the vicinity of the Heath property to better control run off from the farm.
- Reviewed the recent update to the Reserve Study.
 - i. The update contained no change in objectives from the Study approved by members in 2014.
 - ii. Emphasized that the Reserve Study is a budget planning tool used to identify the status of the reserve funds and to plan out major common area expenditures.
 - iii. Reviewed Projected Annual Reserve Expenses 2017-2035 as well as the Projected Reserve Fund balance for that period.
 - iv. Reviewed the Reserve Fund projects scheduled in the near term (2017-2021).
 - v. Summarized that the Reserve Study showed that the organization is on a positive fiscal path to accomplish objectives in the Strategic Plan.

6. Committee Reports:

- Landscape Committee:
 - i. Completion of the new entrance sign installation and landscaping around the sign;
 - ii. Clean-up of the common areas and, with permission from Ms. Bell, clean up around the lot near Black Beard's beach;
 - iii. Installation and care of the sod at the common area;
 - iv. Flower beds in the common area.
 - v. Outlined 2017 proposed projects.
- Architectural Control Committee:
 - i. Requests for project approval included patios and fences, a driveway and one for a new home. All were approved.
- Governing Documents Committee:
 - i. Cyndy Duffield introduced to a new approach to the updating the Governing Documents. The Declaration of Covenants, Conditions and Restrictions (DCCR) would contain all of the North Carolina required provisions. To address specific areas such as lot maintenance and bulk head repair/maintenance, the (DCCR) would contain a provision giving the Association the ability to develop a set of binding rules and regulations for the community that would be incorporated into the DCCR by reference. This approach provides more agility than we have at the moment with regard to community needs.

- ii. Ken Rome presented the Lot Maintenance Standard delivered in advance of the meeting. Ken cited the principal need for the Lot Maintenance Standard was driven by the issues the community had in 2016 around grass cutting. Everyone agreed that mowing was especially challenging, but several homeowners were particularly impacted by neighbors who did not maintain their lots.
- iii. Some of the owners requested similar standards for bulkheads, soil erosion and downed trees. Ken Rome referred the group back to the need for a revised approach to the DCCR.

A motion to adopt the Lot Maintenance Standard was made, seconded and passed without objection.

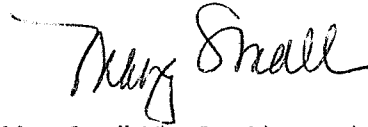
- **Elections Committee:**
 - i. Ken noted that no candidates volunteered to run for Board positions in 2017 and, by default, the current Board will continue to serve in 2017. Those individuals are Cyndy Duffield, Mary Small and Ken Rome.
 - ii. Ken encouraged the members in attendance to please consider volunteering for the Board in the future and to consider serving on a committee as well. He pointed out that if we have no volunteers, we will have to hire a company to manage the HOA and that would likely cause our assessments to rise.
- 7. **Special Presentations:**
 - **Ted Good-Pampas Grass:**
 - i. Mr. Good presented a comprehensive overview of the current state of the community Pampas Grass.
 - ii. Approach to maintaining Pampas Grass is different than in the past.
 - iii. The Landscape Committee (current and past) has done its best to maintain and revive the community pampas grass, but despite those efforts, some of the grass is not thriving and is at the end of its life
 - iv. Ted presented a number of approaches.
 - v. The Owners agreed to retain 33 plants at the entrance to the community and have the remainder removed completely. Beginning in January, removal will begin, as well as cutting and burning those to be that we will attempt to retain.
 - **Bob Cook-Eden Lane Lot and Lots on Swan Road adjacent to the farm:**
 - i. Mr. Cooke presented a request to the members to have the lot on Eden Lane removed from the association. The Eden Lane lot is deemed unbuildable and Ms. Bell is not currently paying any assessment for it.
 - ii. Additionally, Mr. Cooke proposed repositioning the lot lines for those lots on Swan Road that are adjacent to the farm, then removing his revised lots from the HOA, after which he would establish a new drainage ditch on the farm to Rice Pond.
 - iii. Ken Rome pointed out that Mr. Cooke would need to work with the individuals owners of the lots on Swan Road regarding his proposal and achieve agreement from all before the Board could make a recommendation for members to consider.

8. Harry Hill requested a moment to thank the community for its support to he and Diana over the previous year.

9. The meeting adjourned at 5:05 p.m.

A handwritten signature in cursive script, appearing to read "Ken Rome".

Ken Rome, President

A handwritten signature in cursive script, appearing to read "Mary Small".

Mary Small, Vice President and Secretary