

RiverSound Property Owners Association, Inc.
First Annual Meeting
Hampton Inn, Edenton, NC
Saturday, October 11, 2014 11:00 a.m.

Meeting Minutes

Opening:

The RiverSound POA's First Annual Meeting was called to order by POA President, Lee Quick, at 11:00 am.

Officers Present: Lee Quick - President, Guy Shaneybrook - V. President,
James Butts, Jr. - Treasurer, Laurie Mullins - Secretary

Establishing a quorum:

RiverSound is comprised of 225 lots. One third or 75 of the lots represented is needed to establish a quorum. There were 45 lots represented at the October 11th meeting and we received signed proxies for 67 lots prior to the meeting. A quorum was established with a total of 112 lots represented.

Prior to meeting, attendance sheets and authorization's to be notified by the POA via email of any Annual or Special Meeting were passed out as well as the RiverSound POA financial statements.

1. Election of one Director (Secretary).

- Laurie Mullins, voted in unanimously as Board Secretary and appointed by Board to the position of POA Secretary.

2. Update on status of Phase I, prior and subsequent to April 2014 Tornado.

- Information from Newsletters posted on POA website in April, May and June regarding status of roads, waste water treatment facility was summarized for attendees. Results of tornado clean-up and repairs also reported in great detail. Sunset Club rebuilt and other repairs made with insurance proceeds. When new Board took over POA in early 2014, they learned that there were many critical issues to address than just WWTF and roads as previously reported. Most issues revolve around bonding company's reluctance to spend money. Board cannot deal directly with bonding company because we are not a "principal". We must go through county but we have the county's support, especially the new County Manager.
- No building permits have been issued but applications can be filed at any time and will be processed. Board can provide assistance and answer any questions about process. Board has appointed an Architectural Review Board of very qualified members and first set of architectural drawings (for lot 40) have been submitted to ARB, reviewed, and written approval granted. Spec sheet is being devised to standardize review procedures and spec sheet will also be made available to lot owners as guidance for discussions with their architects.

- Owners should refer to Covenants, Design Specifications, and Planning and Inspections check list before proceeding with drawings.
3. Latest news on efforts to develop Phase II, by new developer, including proposed RS Marina was discussed.
- RiverSound Phase II was bought at foreclosure by Yeopim Partners. Initially, RiverSound Phase II was slated to be approximately 300 lots but plat was never recorded. As a result, because of surrounding property owner opposition, the current plan for Phase II is 57 10-acre lots. They will not tie into Phase I's waste water treatment facility, rather by a septic system. A private marina is planned but opposed by some local residents. Board has supported development of Phase II including the marina. Phase II would join our POA with dues to be determined based on future developments. 57 Phase II lots will be approved by County on October 20, 2014 and further hearings to be held on marina.
4. Obstacles being encountered in efforts to develop Phase I and Phase II.
- The Board discussed obstacles being faced in the continuing efforts to have the bonding company complete the infrastructure.
5. Financial Report.
- The Treasurer, James Butts, Jr. presented the 2014 financials from January 1 – October 6, 2014. Also presented was a 2015 Budget Overview for 2015 detailing the increased expenses that necessitate an increase in the 2015 POA dues.
 - Highlighted were the increased dues to offset the increased expenses for the sewer and electric specifically as well as the 27-30 lot owners who have a past due balance. Percentage of 13-14% is with the margin of expectancy, with the uncollected accounts receivable through 10/6/2014 at \$20,700. Also noted was the big response to the letter mailed out in the collection effort.
6. Amount of future dues and Penalty for unpaid past dues.
- The RiverSound 2015 POA annual dues are expected to be \$600.00. The increase is mostly related to the startup and operation of the Sewer Treatment plant and the staff costs to maintain it. Also to ensure that we maintain good reserves in an effort to minimize random special assessments.
 - Lot/s with unpaid past due balances will continue to be subject to lien and recovery of legal fees in addition to the balance due amounts. The POA will aggressively pursue the collection of these balances as a matter of due diligence. North Carolina law allows interest on unpaid dues up to 18%. Costs of filing liens will be assessed against delinquent owners.

7. Building Permits, Architectural drawings, Covenants, Zoning and Wetland requirements etc.

- All information needed to start the building process has been published in the newsletters posted on the POA website. Site survey and elevation survey are needed for initiating the process. Call POA president or vice president with any questions. Special requirements for Wetlands.

8. Proposed changes to By-Laws.

- POA By-laws can be amended by majority vote of Board. Changes to covenants need 2/3 majority vote of lot owners.

9. Procedures for maintaining overgrown lots.

- Bush hogging is encouraged. Property owners interested in vendor contact information, please contact Guy Shaneybrook at gshaneybro@aol.com.

10. Covenants Enforcement.

- POA president noted particularly that we have strict covenants for the purpose of maintaining property values within RiverSound and strict covenant compliance will be enforced.

Meeting adjourned.



Laurie Mullins, Secretary