Firefly Cove Property Owners Association, Inc.

Board Meeting

July 3, 2026

Location: The POA Lodge

Roll Call/Call to Order: The meeting was called to order at 10:00 am

- Directors Present: Steve Dunn, Mike Kirkman, Melva Dye, and Tom Pflug
- Directors present by Phone: David McKinsey
- Property Owners Present: Debbie Pflug
- Quorum: There being enough Board members present a quorum was established.

Approval of Agenda

- A motion was made to approve the agenda for July 3, 2026. The motion was seconded and approved with a 5-0 vote.

Approval of Minutes

- A motion was made to approve the Board Minutes of May 29, 2026. The motion was seconded and approved with a 5-0 vote.

Property Owners Input/Comments/Concerns

- Debbie Pflug suggested that the Secretary send emails to the property owners announcing future Board Meetings.

Financial Update

- Unrestricted Reserve Account
  - ✓ May 27, 2026: $63,637 [$27,137 cash + $25,000 4-Week T-Bill + $11,500 I-Bond]
  - ✓ July 1, 2026: $67,683 [$56,083 cash + $11,600 I-Bond]

- Restricted Reserve Account
  - ✓ May 27, 2026: $90,120 [$15,120 (cash) + 4-Week T-Bill: $75,000] [0 Lots Due *$1,000 Refundable Road Repair Fee Each Lot + 1 Lots Due $3,000 Refundable Compliance Fee Each Lot*]
  - ✓ July 1, 2026: $43,363 [$43,363 (cash)]
    [0 Lots Due *$1,000 Refundable Road Repair Fee Each Lot + 1 Lot Due $3,000 Refundable Compliance Fee Each Lot*]

- Operating Account
  - ✓ May 27, 2026: $34,321
  - ✓ July 1, 2026: $ 30,330

- **Cost of Helene Update**

✓ Lodge Renovation	$225,580
✓ Dock Area Renovation	$4,300 (Engineered Drawing) $21,540.03 (Downpayment to Master Dock) $107,715.13 (Master Dock Contract) $52,761.06 (Master Dock Contract)
✓ FEMA Bridge Renovation	$2,500.00 (Bridge Inspection) $656.52 (Bridge Drainpipe) $23,000 (Creek Stabilization Riprap) $813.11 (Purchase Lights for Bridge Columns) $146.62 Material for Bridge Column $625.00 Labor to Restore Bridge Column

ARC Update

Committee members: Jayne Mann, Paula Moore, Deb Gardner, Deb Pflug, Mike Knowles

- Ongoing construction:
  - *Hansen: Lot 56 Firefly Point: Owner forecasts completion Q2, 2028.*
- Other ARC business
  - Steve Dunn presented the 5th Amendment to the Covenants which he drafted as recommended by the ARC Committee for the Board consideration. See Attachment A. After a Board discussion, a motion was made not to move forward with approving the 5th Amendment to the Covenants at this time. The motion was seconded and approved with a 5-0 vote. The Board noted that it appreciated the hard work of the ARC committee and Steve Dunn.

Dock Area Refurbishment Update

- The dock and the landscaping for the dock area are complete. The total cost for the refurbishment of the dock area will be presented at the next Board meeting.

Board Discussion

- A discussion was started on providing an online payment method for assessments. Tom Pflug, Mike Kirkman and the association's bookkeeper, Rhonda Stockdale investigated the options. Their report determined that having an online payment option for property owners was cost prohibitive. A motion was made not to explore an online payment option any further. The motion was seconded and approved with a 5-0 vote.

- With the completion of the construction of the new dock there are 2 day slips available for any property owner to use. (Note: 1 of the day slips is unusable due to silt from the recent storm) A discussion was held on the Rules and Regulations for the use of the 2 Community Day Slips. The Board decided to use the current Board approved Rules and Regulations in Section 5 that govern the use of the day slips for the remainder of 2026. Any changes to Section 5 of the Regulations for 2027 will be presented at future Board meetings.

- A discussion was started on updating the Boat Dock Regulations for 2027. The current Regulations will be used for the remainder of 2026. Mike Kirkman presented the proposal for the changes to Section 3. After the discussion a motion was made to approve Section 3, with changes, of the Regulations. The motion was seconded and approved with a 5-0 vote. The remainder of the Sections in the Regulations for 2027 will be discussed at future Board meetings.

- A discussion was started about the on-going late payment of assessments by property owners. According to NCGS § 47F-3-102 (11), the owners' association has the authority to Impose reasonable charges for late payment of assessments. A motion was made to impose a late fee of $50 for any assessment that becomes delinquent 30 days after the due date on the notice of an assessment beginning January 1, 2027. The bookkeeper shall disclose this new Regulation to property owners on the notice of an assessment. The motion was seconded and approved with a 5-0 vote.

- A discussion was started on the 2027 proposed Budget. A motion was made to approve the 2027 Budget. See Attachment B. The motion was seconded and approved with a 5-0 vote.

- A discussion was started on the 2027 Annual Meeting Agenda. A motion was made to approve the 2027 Annual Meeting Agenda. See Attachment C. The motion was seconded and approved with a 5-0 vote.

- A discussion was started on the availability of key fobs to the Lodge. A motion was made that owners of property in Firefly Cove be allowed 2 free key fobs per property. Additional key fobs may be purchased for $10 each. The motion was seconded and approved with a 5-0 vote.

Executive Session

- None

The date of the next board meeting:

- Saturday August 1, 2026 at 10am in The Lodge

Adjournment: The meeting was adjourned at 11:40 am

Attachment A

Prepared by:
Steve Dunn
Firefly Cove POA
PO Box 303, Lake Lure, NC, 28746

STATE OF NORTH CAROLINA
COUNTY OF RUTHERFORD

FIFTH AMENDMENT TO DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, RESERVATIONS, TERMS AND CONDITIONS GOVERNING FIREFLY COVE, A MASTER PLANNED COMMUNITY, AS RECORDED IN DEED BOOK 919, PAGE 836, AND PREVIOUSLY AMENDED IN BOOK 954, PAGE 649, BOOK 954, PAGE 651, BOOK 1115, PAGE 294, AND BOOK 2077, PAGE 407 ALL OF THE RUTHERFORD COUNTY REGISTRY.

THIS FIFTH AMENDMENT TO DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, RESERVATIONS, TERMS AND CONDITIONS GOVERNING FIREFLY COVE, A MASTER PLANNED COMMUNITY is made this _____day of _____, 2026, by the Firefly Cove Property Owners Association, Inc., a North Carolina non-profit corporation (the "Association").

WHEREAS, the Association is the association of lot owners at Firefly Cove, a planned community organization under the North Carolina Planned Community Act, with real property governed by the Association being located in Rutherford County, North Carolina; and

WHEREAS, the Association was established as a planned community to be organized, controlled and governed by the Declaration of Terms, Conditions, Restrictions and Protective Covenants for Firefly Cove as recorded in Deed Book 919 at Page 836, in the Rutherford County Registry of Deeds, as amended by that certain Supplemental Declaration recorded in Deed Book 954, Page 649, Rutherford County Register of Deeds, and that certain further Amendment to Declaration recorded in Book 954, Page 651, Rutherford County Register of Deeds and that certain further Amendment to Declaration recorded in Book 1115, Page 294, Rutherford County Register of Deeds, and that certain further Amendment to Declaration recorded in Book 2077, Page 407, Rutherford County Register of Deeds (collectively, the "Declaration"); and

WHEREAS, pursuant to that certain Termination of Declarant Rights and Special Declarant Rights and Statement of End of Declarant Control Period recorded in Deed Book 1028, Page 578, Rutherford County Register of Deeds, the Association has full control of the property governed by and subject to the Declaration; and

WHEREAS, in accordance with the provisions of Article IX of the Declaration, the owners of Lots to which sixty-seven percent (67%) of the votes are allocated cast those votes in favor of the adoption of this Fifth Amendment.

NOW THEREFORE, the Association declares that the Declaration is hereby amended as follows:

1. Article VII is hereby amended to add a new Section 33 as follows:

Section 33. Solar Systems. The preferred location for solar panels is on the rear roof of the home. Solar panels shall not be installed on the facade of a structure that faces open to common or public access. Solar panels shall not be installed on a roof surface that slopes downward toward the same areas that open to common or public access within the area set off by a line running across the facade of the structure extending to the property boundaries on either side of the facade and those areas of common or public access faced by the structure.

All solar collector systems shall be subject to prior review and approval of the ARC for compliance and must comply with the above restrictions unless such compliance would increase the cost or decrease the efficiency of the system by fifteen percent or more.

Any solar collectors not otherwise prohibited, and all plumbing, supports, and other components, must be located as inconspicuously as possible; and screened and colored to appear to be an integral and harmonious part of the architectural design of the home, using materials and manner of screening approved by the ARC.

A drawing describing the location of the system on the roof showing visibility from the streets and neighborhood lots shall be submitted to the ARC for review and approval.

2. Except as amended and modified by this Fifth Amendment, the Declaration remains in full force and effect.

3. Whenever defined terms and words of art are used herein, as indicated by the initial capitalization thereof, such defined words and terms of art, if not defined herein, shall have the same meaning ascribed thereto in the Declaration.

[the remainder of this page intentionally blank - signatures and notaries follow]

CERTIFICATION OF VALIDITY OF FIFTH AMENDMENT OF DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, RESERVATIONS, TERMS AND CONDITIONS GOVERNING FIREFLY COVE

By the authority of its Board of Directors, the Firefly Cove Property Owners Association, Inc., a North Carolina non-profit corporation, hereby certifies that the foregoing Fifth Amendment has been duly adopted and approved by at least sixty-seven percent (67%) of the Qualified Voting Members currently owning Lots within Firefly Cove and is, therefore, a valid amendment to the existing covenants, conditions and restrictions of Firefly Cove as of the _____ day of _____, 2026.

FIREFLY COVE PROPERTY OWNERS ASSOCIATION, INC., a North Carolina non-profit corporation.

BY: _____
Tom Pflug, President

ATTEST: _____
Mike Kirkman, Board Member

NOTARY:

I, _____, a Notary Public of _____ County, North Carolina, hereby certify that Tom Pflug and Mike Kirkman personally came before me and acknowledged that Tom Pflug is the President of the FIREFLY COVE PROPERTY OWNERS ASSOCIATION, INC., a North Carolina non-profit corporation, and that by the authority duly given and as the act of the non-profit corporation, the foregoing instrument was signed in its name by Tom Pflug as its PRESIDENT, sealed with its corporate seal, and attested by Mike Kirkman, a Board Member.

Witness my hand and official seal this _____ day of _____, 2026.

_____
Notary Public

Print name: _____

My commission expires: _____

Attachment B

		Amended	
Firefly Cove	**Operating Budget**	**2026**	**2027**
Deposits			
	Notes		
Property Owners Assessment	$650.00 X 4 Quarters X 58 Lots	$150,800.00	$150,800.00
Boat Slip User Assessment	12 Boat Slips X $1,260	$52,000.00	$15,120.00
Kayak Storage User Assessment	5 Kayak Storage Spots X $150	$750.00	$750.00
Reserve Account Funds		$26,000.00	
ARC Fee			
Insurance Payout			
Special Assessment	58 Lots X $2,000	$116,000.00	
Lodge Rental Fee			
Prior Year Carryover		$32,000.00	
Miscellaneous			
Total Deposits		***$377,550.00***	**$166,670.00**
Administrative Expenses			
Bookkeeping Contract	$600/month	$6,900.00	$7,200.00
POA Insurance	Estimated payable for 9 months	$6,590.00	$6,000.00
Legal		$300.00	$300.00
Office Supplies/Refunds/Charges/ Entertainment		$750.00	$750.00
Permit/Licenses/Tax	Town Fee $160 X 13 boat slip	$2,080.00	$2,080.00
Tax Prep/CPA	Preparation Annual of POA Tax Forms	$800.00	$1,000.00
Concierge Service Contract	$250 X 12 months	$3,000.00	$3,000.00
Sanitation	Removal of trash from dumpster weekly	$2,700.00	$3,500.00
COA Quarterly Dues	$1,148.38/qtr. for COA dues for Lodge	$5,100.00	$5,100.00
Website	Estimated Website and Domain Fee	$350.00	$350.00
Pest Control	Carpenter Bees (Lodge $1,100) + Landscape Pest Control (Lodge Area $1,700) + Carpenter Bees (Kayak/Boat House $250)	$3,050.00	$3,270.00
Transfer to Reserve	25% Restricted (Boat Dock Area) + 25% Unrestricted from Boat Slip User Assessment		$6,600.00
Total Administrative Expense		**$31,620.00**	**$39,150.00**

Lodge Expenses	Notes		
Cleaning Contract	$400 X 12 months	$4,800.00	$4,800.00
Cleaning Supplies		$400.00	$400.00
Gym			
Fireplace			
Internet/Telephone		$2,300.00	$3,000.00
Propane		$400.00	$400.00
Electric Lodge/Gate/Dock/Bridge		$8,200.00	$8,200.00
Water / Sewer		$4,750.00	$3,500.00
Emergency Maintenance			
Annual Sprinkler Inspection		$1,025.00	$1,040.00
Sprinkler System 5 year inspection			
Fire Extinguisher Inspection		$50.00	$50.00
Fire System Monitoring		$540.00	$540.00
Fire Monitoring System Inspection		$400.00	$400.00
Total Lodge Expenses		**$22,865.00**	**$22,330.00**
Landscaping Expenses	Notes		
Landscape Contract	Tirado 12 X $4350	$53,400.00	$52,200.00
Kudzu/Tree Work/New Landscaping/Storm Cleanup/Misc	Kudzu Removal ($2,000) + Mulch and Pine Straw ($7,500) + Storm Clean Up ($2,400)	$6,900.00	$11,900.00
Snow Removal		$450.00	$450.00
Irrigation Start Up		$2,400.00	$2,400.00
On Call Irrigation	$200/month May - September	$1,000.00	$1,000.00
Irrigation Shut Down		$200.00	$200.00
Total Landscaping Expenses		**$64,350.00**	**$68,150.00**
Pool Expenses	Notes		
In-Season Pool Service Contract	$1,200 X 5 months	$6,000.00	$6,000.00
Off Season Pool Service Contract	$120 X 7 months	$840.00	$840.00
Pool Furniture Set-Up and Clean		$150.00	$150.00
Clean and Store Pool Furniture		$150.00	$150.00
Maintenance/Supplies		$500.00	$500.00
Pool Repair		$1,000.00	$1,000.00
Propane	Pool Grill	$100.00	$100.00
Total Pool Expenses		**$8,740.00**	**$8,740.00**

Capital Expenses			
Capital Repair/Replacement	Storage Area	$1,975.00	$2,000.00
	Gates		$500.00
	Lodge	$3,000.00	$3,000.00
	HVAC	$1,500.00	$1,500.00
	Boat Dock and Boat Dock Area	**$226,000.00**	$1,000.00
Capital POA Projects	Dredging		$3,000.00
	Pressure Wash Pool Deck	$150.00	$150.00
	Pressure Wash Boat Dock	$150.00	$150.00
Capital POA Purchases	Furniture	$3,700.00	$3,500.00
	Gym Equipment		
	Pinnacle Entrance Sign	$2,500.00	$2,500.00
Capital Miscellaneous		$5,000.00	$5,000.00
Capital Unbudgeted		$6,000.00	$6,000.00
Total Capital Expenses		**$249,975.00**	**$28,300.00**
Total Operating Deposits		***$377,550.00***	**$166,670.00**
Total Operating Expenses		***$377,550.00***	**$166,670.00**

Attachment C

Firefly Cove Property Owners Association, Inc.

PO Box 303 Lake Lure, NC 28746

2026 ANNUAL MEETING AGENDA
October 31, 2026
10 am in the Lodge

1. Call to Order (President – Tom Pflug)

2. Call for Proxies (Secretary - Steve Dunn)

    a. Certifying of Proxies and Confirmation of a Quorum

3. Certification of the Minutes from October 18, 2025, POA Meeting (Secretary - Steve Dunn)

4. Hurricane Helene Renovations Report (Director David McKinsey)

    a. Cost of Renovation to the Lodge
    b. Cost of Renovation to the POA Bridge
    c. Cost of Renovation to the Boat Dock Area

5. Financial Report (Treasurer - Mike Kirkman)

6. New Business

    a. 2027 Budget (Treasurer - Mike Kirkman)
        - Discussion / Motion / Ratification Vote

    b. ARC Annual Report – (ARC Chairperson - Mike Knowles)

7. President's Report – (President – Tom Pflug)

8. Open Forum

9. Election to the Board of Directors (Vice President – Melva Dye)

    a) Directors Mike Kirkman and Steve Dunn terms expire
    b) Solicitation for nominees from the floor and introduction of candidates
    c) Questions from the floor of candidates
    d) Vote by ballot
    e) Appointment of overseer of ballot count (Vice President – Melva Dye)
    f) Results of the vote

10. Adjournment (President – Tom Pflug)