

Firefly Property Owners Association, Inc.

Board Meeting

April 25, 2019

Location:

- Firefly Cove Lake Lure, North Carolina – The Lodge

Roll Call/Call to Order:

- The meeting was called to order by Joe Pritchett at 6:28 pm
- Directors present: Joy Ciocca, Melva Dye, Mike Frosaker, Bill Walker and Joe Pritchett
- Directors present by phone: None
- Directors Absent: None
- Property Owners present: Robert Flake, Greg Gardner, Liz Smith, Karen Donovan and Mike Kirkman
- Property Owners present by phone: None

Quorum:

- There being a sufficient number of Board members present a quorum was established.

Presentation:

- Travis Smith, Ecologist from Smith Environmental & Educational Consulting, Inc. was in attendance. He made a presentation regarding Kudzu, history of the plant and the process he would use to eliminate it from Firefly Cove. He said he would wait until the end of May, early June, before providing a quote for his services. See attached Kudzu Control Info that was provided.

Approval of Minutes:

- The minutes from the Firefly Cove Board meeting of March 21, 2019 were approved by motion, second, and a unanimous vote 5-0.

Property Owners Input/Comments/Concerns

- None

Updates:

- Treasurer Kirkman provided the following updates:
 - Operating Account is \$23,616.29.

- Unrestricted Reserve Account is \$93,618.58 including of compliance fees (\$6000).
 - Restricted Reserve Account is \$2,593.34
 - We have received payment for all but one billed boat slip.
- Second Quarter Dues were all paid except four property owners and the Special Assessments were paid all but 13 property owners.
- The first quarter financial report as prepared by the Treasurer was approved by motion, second, and a unanimous vote 5-0. See attached.
- President Pritchett provided an update on the Firefly Cove Dredging. Prior to the start of the project, a meeting was held at the dock with President Pritchett, Secretary Ciocca, Dean Givens, Lake Operations Director, Tim Edwards, Dredging Contractor and Property Owners John Chapman and Mark Helms to discuss the process and to coordinate the dredging and moving of boats. The dredging is in progress and moving along very well. It was discussed and agreed to spend additional money to have Jonathan Hinkle use his small dredge to get in and around the stream and boat docks to clear out the areas that the large dredge can not reach.
- VP Frosaker provided an update on the Sale of Lot 56. There are two interested parties, however neither has provided an offer to date.
- Secretary Ciocca provided an update on the following:
- Irrigation expected to be complete and working by the end of next week.
 - Pool initial inspection likely to be the first week of May.
 - Landscaping project to add flowers/plants to the end of the horseshoe was halted because the irrigation was not working properly yet and there would be no way to water.

Discussion Items:

- President Pritchett opened a discussion regarding the bears and the dumpster. VP Frosaker indicated he would look into options to help reinforce the dumpster lid to prevent the bear from getting in.
- A discussion was had about the hiring a landscape architect to prepare a full landscape plan for an approximate cost of \$2500. Property Owner Karen Donovan suggested that a landscape committee be created to handle the landscape needs of FFC. The committee would need to have authority to act within a budget. President Pritchett suggested we think about it and revisit at a later meeting.
- The date of the next board meeting TBD.

Adjournment:

- The meeting was adjourned at 7:50pm.

Smith Environmental and Educational Consulting, Inc.

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Excerpt from Kudzu Control Info **Travis Smith, Kudzu Specialist**

Basic Science

Ecologically, there is NO legitimate "space" for kudzu within the ecology of the North American continent. Unfortunately, it has the ability to create its own space, by out-competing our native flora for soil space, soil nutrients, water and sunlight. It will very quickly invade, overgrow and shade out all native vegetation within its quickly expanding reach. Decades ago, it was documented and published, that kudzu growing on a prime site, can grow 1 FOOT PER DAY. I read a report published in 2009, estimating that there are now in excess of 4.5 million acres of kudzu in the southeastern US.

Kudzu spreads primarily by its amazing growth speed of the above ground stems, which have the ability to climb through and over just about everything. Wherever the nodes of the stems make contact with soil, it can root and start new plants. Distribution of stem segments occurs readily through clearing and grading of land, soil being transported from place to place and also inadvertent "hitching a ride" on construction and grading equipment, mowers and other vehicles.

Kudzu is a member of the Legume or "Pea" family, and produces seeds in pods. Fortunately, it has historically been a very weak seed producer, with seed viability averaging only around 6% - good thing, or we in the southeast would all be living in a monoculture of kudzu, or maybe worse, have to move up north, where it cannot yet survive the winters. Seed distribution occurs primarily by birds and other animals, but can also occur by vehicles, grading and construction equipment, hikers, wind and water.

Kudzu develops extensive underground root systems and builds tubers (like potatoes) for storage of nutrients and water. This allows it to build great reserves of stored energy to fuel its phenomenal growth, thrive in less than ideal habitat and survive extreme drought conditions. There are numerous documented accounts of tubers having been unearthed, that weigh hundreds of pounds each! Distribution of tubers occurs readily through grading, by soil being transported from place to place and tubers inadvertently "hitching a ride" on construction and grading equipment.

Adaptation and Future of Kudzu

Kudzu has been here for over 100 years, which is enough time for it to have made adaptations to our climate. The network of Natural Resource Managers I am affiliated with is reporting field observations of these adaptations. Even in just the last 5-8 years, we are seeing kudzu:

- Grow at faster rates during a single growing season.
- Establish and spread throughout areas of very deep shade

NC Certified Commercial Pesticide Applicators License # 026-24060

Forestry

Ornamentals and Turf

Right-of-Way

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- Grow in colder places, i.e. further north on the continent and at higher elevations.
- Spread much more noticeably from seed.

These observations are very concerning to us. Especially new populations known to have started from seed. We are observing evidence that this is now occurring at a higher rate and increasing.

I believe it is obvious, that without a miraculous scientific breakthrough, Kudzu is here to stay. It has been undergoing adaptations to our climate for over 100 years, and we are observing the demonstrated evidence of that, in its growth and reproduction habits, particularly in the past decade. Kudzu is now recognized by most folks as a serious threat to the environment, and in many places like the deep south, an overwhelming, staggering threat. All the while, it has been developing into an even more serious threat, without most people knowing it.

My Protocol

The only kudzu control Protocol that I use, because I know it is the best, it works and I will guarantee it:

I will conduct a spray application of a very narrow spectrum herbicide to the kudzu foliage. This herbicide is highly selective to the Legume family of plants, although it will kill some asters and some of the more weedy nightshades, etc. It will not harm most other native vegetation, including oaks, maple, rhododendron, grasses, just to name a few. This is a very important part of ecological land management and invasive species control. Invasive species love disturbance - this is where they tend to get started and then so quickly thrive. Using this selective herbicide drastically eliminates the "collateral damage" caused by the inevitable overspray during a foliar application, when using any other herbicide.

This is a systemic herbicide that is applied to the leaves, taken into the plant during photosynthesis and translocated throughout the entire plant. This time of year, plants are manufacturing sugars at a very high rate and quickly translocating them to the roots for winter energy storage reserves. The chemical is simultaneously translocated to the roots providing more effective and efficient kill of the roots.

Killing the kudzu roots is absolutely critical to the success of the eradication effort. Period!! If you don't kill the root, you are only wasting time and money. This is the single most effective way to kill the root.

This is a multi-season process.

Some of the largest, oldest, most well established roots will not be killed with only one or two herbicide applications. It is absolutely crucial to the success of the eradication effort, that successive seasonal treatments be conducted without skipping a year! Those roots that are only damaged but not killed, will undergo an enzymatic and hormonal response

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that causes the kudzu to put out excessive growth - similar to any mechanical manipulation of the kudzu vine, without treating the root. Skipping a seasonal treatment will allow the kudzu to put out exponential growth and you will lose a lot of the success you have gained to that point in the process. In the majority of cases, I will not agree to begin an eradication effort, if I do not have a solid commitment to the entire process from the landowner. The effects of the treatment will be clearly evident to all - immediately and season to season. The success of the process is my marketing. It has my name on it.

Most kudzu can be eliminated within 3-5 growing seasons. It depends primarily upon how well established the root system is, which is dictated by age, soil space, soil moisture, nutrient availability, exposure to available sunlight, etc.

Cost

Mobilization of equipment, equipment usage, equipment rental (bucket truck or crane when needed), fuel, travel time to/from site, amount of herbicide solution used and labor hours (determined largely by accessibility of equipment to the area to be treated) determine the cost of each treatment.

Cost is based on the amount of kudzu to be treated. Thus, successive seasonal treatments cost less each time. For budgeting purposes, I recommend projecting half the cost of the previous treatment, although it is sometimes less.

Quotes are submitted as "Not to Exceed" type quotes.

Terms: 50% Deposit up front
Remaining balance due upon Final Invoice

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Reserve Account

1st Quarter 2019

	Unrestricted Funds					
			January	February	March	Total
	Deposit					
	Dues	boat slip fees and storage rack fees	\$0.00	\$0.00	\$11,400.00	\$11,400.00
	Reserve Replacement Fee	sale of condo 101	\$0.00	\$438.00	\$0.00	\$438.00
	Transfer from Operating		\$219.08	\$0.00	\$3,000.00	\$3,219.08
	Interest Income		\$91.62	\$83.45	\$104.97	\$280.04
	Total Deposit		\$310.70	\$521.45	\$14,504.97	\$15,337.12
	Expenses					
	Transfer to Operating		\$0.00	\$0.00	\$0.00	\$0.00
	Total Expenses		\$0.00	\$0.00	\$0.00	\$0.00
	Bank Beginning Balance		\$63,781.46	\$64,092.16	\$64,613.61	
	Bank Ending Balance		\$64,092.16	\$64,613.61	\$79,118.58	
	(-) Refundable Compliance Fees				\$3,000.00	
	Actual Reserve Account Balance				\$76,118.58	
	Restricted Funds					
	Deposit					
	Road Impact Fee	Resticted to Repairing Damaged Roads	\$0.00	\$0.00	\$0.00	
	Total Deposit		\$0.00	\$0.00	\$0.00	
	Expenses					
	Transfer to Operating	Used to Repair Road Damage	\$0.00	\$0.00	\$0.00	
	Refund to Property Owner		\$0.00	\$0.00	\$0.00	
	Total Expenses		\$0.00	\$0.00	\$0.00	

Operating Account

1st Quarter 2019

			January	February	March	Quarterly Actual
	Deposits					
	POA Dues	(57/57) + \$12 Overpayment + PrePays(\$2190)	\$25,416.00	\$3,066.00	\$1,314.00	\$29,796.00
	Boat Dock Fees		\$0.00	\$0.00	\$0.00	\$0.00
	Kayak Storage Fee		\$0.00	\$0.00	\$0.00	\$0.00
	Easement Fee		\$593.34	\$0.00	\$0.00	\$593.34
	Reserve Replacement Fee		\$0.00	\$0.00	\$438.00	\$438.00
	ARC Fee	2 New Home Construction X \$400	\$800.00	\$0.00	\$0.00	\$800.00
	Road Impact Fee		\$0.00	\$0.00	\$0.00	\$0.00
	Compliance Fee		\$3,000.00	\$0.00	\$0.00	\$3,000.00
	Insurance Payout		\$0.00	\$0.00	\$0.00	\$0.00
	Special Assessment		\$0.00	\$0.00	\$0.00	\$0.00
	Lodge Rental Fee		\$0.00	\$0.00	\$0.00	\$0.00
	Miscellaneous		\$0.00	\$0.00	\$0.00	\$0.00
	Total Deposits		\$29,809.34	\$3,066.00	\$1,752.00	\$34,627.34
	Administrative Expenses					
	Bookkeeping Contract		\$400.00	\$400.00	\$400.00	\$1,200.00
	POA Insurance		\$323.22	\$323.22	\$0.00	\$646.44
	Legal		\$0.00	\$55.00	\$27.50	\$82.50
	Office Supplies/Refunds/Charges		\$33.00	\$0.00	\$0.00	\$33.00
	Permit/Licenses/Tax		\$0.00	\$500.00	\$0.00	\$500.00
	Tax Prep/CPA		\$0.00	\$650.00	\$0.00	\$650.00
	Service Contract		\$440.00	\$0.00	\$0.00	\$0.00
	Sanitation		\$134.50	\$152.66	\$152.66	\$439.82
	Fire Monitor		\$0.00	\$0.00	\$0.00	\$0.00
	COA Quarterly Dues		\$0.00	\$984.38	\$0.00	\$984.38
	Website		\$0.00	\$0.00	\$0.00	\$0.00
	Pest Control		\$0.00	\$0.00	\$0.00	\$0.00
	Returned Compliance Fee	3 Homes Completed	\$6,000.00	\$0.00	\$3,000.00	\$9,000.00

Operating Account

1st Quarter 2019

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Operating Account

1st Quarter 2019

	Capital Expenses					
	POA Reserve Account		\$219.08	\$0.00	\$3,000.00	\$3,219.08
	POA Repairs/Replacements		\$471.00	\$0.00	\$0.00	\$471.00
	POA Projects			\$0.00	\$0.00	\$0.00
	POA Purchases		\$352.05	\$0.00	\$0.00	\$352.05
	Total Expenses		\$10,367.91	\$4,197.83	\$9,605.56	\$24,171.30
	Bank Beginning Balance		\$13,434.92	\$32,876.35	\$31,744.52	
	Bank Ending Balance		\$32,876.35	\$31,744.52	\$23,890.96	
	(-) Compliance Fees		\$6,000.00	\$6,000.00	\$0.00	
	(-) Boat Dock Fees		\$0.00	\$0.00	\$0.00	
	(-) PrePaid POA Dues for 2020		\$0.00	\$0.00	\$0.00	
	Actual Operating Balance		\$26,876.35	\$25,744.52	\$23,890.96	
	Year over Year	Actual Operating Balance 2019	\$26,876.35	\$25,744.52	\$23,890.96	
		Actual Operating Balance 2018	\$25,613.60	\$22,755.89	\$10,934.49	
	Notes					
Reserve	Deposit - Transfer from Operating	1/2 of 2018 end of year operating account	\$219.08			
Operating	Lodge Expenses - Cleaning Contract	Dec.Invoice + Jan Invoice	\$750.00			
Operating	Lodge Expenses - TV Cable	Dec. Invoice not cashed until 2019	\$66.52/\$124.11			
Operating	Lodge Expenses - TV Cable	Jan.2019 Invoice	\$57.59/\$124.11			
Operating	Landscape Expenses - Projects	Debris Clean Up after storm	\$100.00			
Operating	Capital Expenses - POA Repair/Replacement	winterized sprinkler system	\$150/\$471			
Operating	Capital Expenses - POA Repair/Replacement	repair gate to Ridges	\$321/\$471			
Operating	Capital Expenses - POA Purchases	Holiday Party/Gym Wipes	\$148.17/\$352.05			
Operating	Capital Expenses - POA Purchases	36 Air Filters for 3 AC units	\$203.88/\$352.05			
Operating	Administrative Expenses - Permit/Licenses/Tax	Kayak and Canoe Permits		\$500.00		
Operating	Administrative Expenses -Tax Prep/CPA	Prep of POA 2018 Tax Return		\$650.00		

Operating Account

1st Quarter 2019

Operating	Lodge Expenses - Propane	1/7 share of Lodge Propane Bill		\$60.83		
Reserve	Deposit - Dues	Boat Slip Fees			\$11000/\$11,400	
Reserve	Deposit -Dues	Canoe Rack Fees			\$400/\$11,400	
Reserve	Deposit = Transfer from Operating	Move Compliance Fee from Operating to Rerserve			\$3,000.00	
Operating	Deposit - POA Dues	2nd Quarter Pre-paid Dues			\$1,314.00	
Operating	Landscape Expenses - Projects	Fertilize/WeedControl for Plants			\$1,224.00	
Operating	Capital Expenses - POA Reserve Account	Transfer of Compliance Fee from Operating Account			\$3,000.00	