

Firefly Property Owners Association, Inc.

Board Meeting

August 25, 2021

Location:

- Firefly Cove Lake Lure, North Carolina – The Lodge

Roll Call/Call to Order:

- The meeting was called to order by Melva Dye at 7:00 pm
- Directors present: Joy Ciocca, Melva Dye, Mark Helms, and Al Joyner
- Directors present by phone: None.
- Directors Absent: None
- Property Owners present: Joe Pritchett
- Property Owners present by phone: Mike Kirkman

Quorum:

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

Approval of Minutes:

- The minutes from the Firefly Cove Board meetings of July 8, 2021, and August 5, 2021, were approved by motion, second, and a unanimous vote 3-0.

Property Owners Input/Comments/Concerns

- None

Updates:

- Mike Kirkman reported the balances as of August 25, 2021; Operating account balance is \$26,863. Unrestricted Reserve account balance is approximately \$47,702.
- Mike Kirkman reported that United Bank is closing in Lake Lure however they will be providing a mobile deposit option for the bookkeeper and online transferring options, so we do not need to change banks at this time. It was noted that the closet branch is in Forest City and when it is time to change the signature cards, all signatories will need to go to this branch. Joy Ciocca requested we look into the option of property owners paying quarterly dues via Zelle or some other online option. Mike Kirkman said he would inquire.

- Joy Ciocca reported that the Contract for the Sale of Lot 56 is moving forward. The due diligence period is completed. We are awaiting information regarding any title exceptions. Our lawyer will forward a copy once we have them and we will work to get them cleared. The lawyer requested most recent tax payments, we informed them the last payment was 2013, after that there is no tax because it is common owned POA property as per Rutherford County back in 2013. We are holding on having the property renamed until we get the title exceptions. Joe Pritchett Settlement is tentatively scheduled for the week of September 6th.
- Joy Ciocca provided an update on the irrigation system. Bob Cameron completed the repairs and changes to the irrigation system throughout the common areas. Karen Donovan set up a temporary system for the new plantings. All looks good.
- Joy Ciocca reported that we are still working on setting up the new lawn turf maintenance program with Chris Elms. Excellawns contract ends August 31st.
- Joy Ciocca reported that she and Mike Kirkman have been working on the Common Area Plant and Tree Identification and Care. We need to go through it again to review for accuracy and to set times and sizes before providing to the landscaper for a quote.
- Joy Ciocca presented two proposals from Epperson Tree. One for the removal of the two willow trees and other recommended trimming. A discussion was had as to whether we want to remove the willow trees as Epperson recommended (trees are in the wrong place, preventing other shrubs/trees to grow and thrive and are impeding Condo entrance and gate drive) or to leave them and just trim. The board will inspect the trees and decide at the next meeting. The board will also get other quotes for the tree cutting/trimming work. The second proposal was for the treatment of 8 Hemlock trees and 8 Ash trees. These trees were last treated in 2021. Epperson recommended treating annually but no less than every three years. A motion was made, seconded, and approved by a vote of 4-0 to accept this quote for \$975.00 to have the trees treated this year.
- Joy Ciocca reported that Travis Smith of SEEC, Inc treated the Kudzu on the POA property as well as some property owners between 8/5 and 8/13. Those property owners were notified in advance. Once we get the invoice, those property owners will be billed for their portion. Travis was very happy with the previous year's treatments and expects that this maintenance plan to continue to work to keep the Kudzu down to a minimum. We are to anticipate pricing in future years to be similar to this year's pricing.
- Al Joyner reported that he met with Randy Fields of Carolina Outdoor Designs to assess the pool, equipment, and pool deck. As was previously recommended, he suggested to clean out the pool deck drain. Other suggestions, to install an overflow pipe and to replace the float valve and to address the leak in the return line. Al has solicited quotes.

Discussion Items:

- Joy Ciocca reported that via email on August 3, 2021, Tim Shellenberger has resigned from the board and the ARC. After discussions, the board will try to find a replacement.
- Joy Ciocca reported that Bob Cameron stated he no longer wanted to be the emergency contact for the fire alarm system. We need to find a replacement. It was decided to send an email to the property owners living in Firefly to ask for volunteers.
- Joy Ciocca reported on a draft letter provided by Tim Shellenberger regarding the landscaping on Lots 6 and Lot 26. After discussions, it was decided that a board member will address Lot 6 verbally and that the POA would handle Lot 26 ongoing.
- Joy Ciocca opened a discussion regarding the Annual Meeting. She noted that the board needs to finalize the Agenda, Budget, and any changes to the Financial Procedures revised based on discussions at the planning meeting held on Tuesday, July 20th.

A motion was made to implement a quarterly dues increase of \$64.00 bringing the quarterly dues from \$486.00 to \$550.00. The motion was seconded and passed by a vote of 4-0.

The budget was presented and reviewed. A discussion was had regarding proposed capital expenses and the use of reserve account funds. It was noted that the estimated budget of \$20,000 for replacing all the pool furniture with Pollywood furniture may be high and that the board may decide not to replace all the furniture at once or may change the type of furniture that is purchased, therefore spending may be less than budgeted. It was also noted that moving money from the reserve account to the operating account for capital expenditures listed, i.e., pool furniture, will only happen if needed, that the board would strive to come in under budget on the capital expenditures as to not need the reserve money but will show the reserve funds being used on the budget to be transparent to the property owners. A motion was made, seconded, and passed by a vote of 4-0 to approve the 2022 budget to submit to the property owners for a vote at the annual meeting.

The revised financial procedures were presented. After reviewing a motion was made, seconded, and passed by a vote of 4-0 to approve the 2021 Firefly Cove Board Financial Procedure Guidelines.

The annual meeting agenda was discussed and revised and approved for submission to the property owners. Discussion was had about the pandemic situation and the possibility of needed to hold the meeting outside or via Zoom. It was decided to continue to plan for the meeting to be held in the lodge and reassess the state of the pandemic as the meeting gets closer. Joy Ciocca would reach out to see about costs of having the meeting under the beach pavilion.

- The date of the next board meeting: to be determined.

Adjournment:

- The meeting was adjourned at 9:39pm.

Epperson Tree
2080 Mountain Page Rd
Saluda, NC 28773-7827 US
(828)606-4980
eppersontreeservice@yahoo.com



Estimate

ADDRESS

Joy Ciocca
136 Firefly Cove
Firefly Cove
Lake Lure, NC 28746
215-292-2433

ESTIMATE # 11490
DATE 07/28/2021

ACTIVITY	QTY	RATE	AMOUNT
Tree Removal & Trims			
POA tree work	1	1,850.00	1,850.00

Gate code 4261#

Need track hoe, and two chip trucks.

At the gate remove one one marked willow tree.

In front of the lodge,

Remove one marked willow tree

Trim one marked arborvitae for roof clearance .

Trim one marked red bud for roof clearance, and vehicle clearance.

Trim one marked red bud for dead wood, and trim away from other trees.

Trim one marked sugar maple, thin interior.

On left side of lodge

Trim one marked sugar maple for roof clearance.

At the boat dock

Trim two marked sycamore trees for lawn mower clearance.

All with clean up.

MB/BR

TOTAL

\$1,850.00

Please like us on Facebook! Epperson's Tree Service

Payment due at completion of job. Unpaid invoices over 30 days will be charged a 10% late fee!

All work performed in accordance with ANSI A300 standards.

Not responsible for driveways due to driving necessary equipment to complete the job!



Proposal For

Joy Ciocca Firefly Cove POA

136 Firefly Cove
Gate Code 4261#

main: (215) 292-2433
fireflycovesec@gmail.com

Location

136 Firefly Cove
Lake Lure, NC 28746

Joy Ciocca Firefly Cove POA

Terms
Due on receipt

ITEM DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
1) Hemlock Treatment POA TREE TREATMENT Treat 4 Hemlocks between road and lodge in parking lot. Treat 4 Hemlock trees on right side of lodge near creek.	1	\$ 0.00	\$ 0.00
2) Emerald Ashe Borer Treatment Treat 3 Ashe trees between road and lodge. Treat 1 near road by power pole. Treat 2 Ashe trees behind the lodge. Treat 1 large Ashe tree near boat dock. If done at same time as above work, treat one Ashe tree close to property line near boat dock. \$50	1	\$ 0.00	\$ 0.00
3) Total Price	1	\$ 925.00	\$ 925.00

All work will be completed in accordance with these plans unless subsequent changes are agreed upon in writing. Balances not paid by the due date are subject to late fees.

SUBTOTAL	\$ 925.00
SALES TAX	\$ 0.00
TOTAL	\$ 925.00

Signature

x

Date:

Please sign here to accept the terms and conditions

add in 975.00

40 approved



joyciocca@gmail.com

From: Tim Shellenberger <Tim.Shellenberger@rheem.com>
Sent: Tuesday, August 3, 2021 11:46 AM
To: Al Joyner
Cc: joyciocca@gmail.com; Melva Dye; Joe Pritchett; Kirk man
Subject: RE: Re: Bush Trimming

[Redacted]

[Redacted]

Lastly,.. It is best for me to **immediately resign from the board**. This is taking way too much of my time and I simply don't have the patience for it. I sort of expected this might be the outcome. **I am also officially resigning from the ARC.**

[Redacted]

Firefly Cove POA Operation Budget 2022

	A	B	C
1			
2	Firefly Cove	Operating Budget	2022
3			
4	Deposits		
5		Notes	
6	POA Dues	\$550.00 X 4 Quarters X 57 Lots	\$125,400.00
7	Boat Dock Fees	13 Boat Slips X \$1,100	\$14,300.00
8	Kayak Storage Fee	5 Kayak Storage Spots X \$150	\$750.00
9	Reserve Account Funds	Projected Money Needed from Reserve Account for Repairs/Replacements	\$10,875.00
10	Easement Fee		\$0.00
11	Reserve Replacement Fee		\$0.00
12	ARC Fee		\$0.00
13	Road Impact Fee		\$0.00
14	Compliance Fee		\$0.00
15	Insurance Payout		\$0.00
16	Special Assessment		\$0.00
17	Lodge Rental Fee		\$0.00
18	Miscellaneous		\$0.00
19			
20			
21			
22	Total Deposits		\$151,325.00
23			
24	Administrative Expenses	Notes	
25	Bookkeeping Contract	\$500/month X 12 months	\$6,000.00
26	POA Insurance	Estimated increase to \$400/mo payable for 9 months	\$3,600.00
27	Legal	Estimated not to exceed \$1,000	\$1,000.00
28	Office Supplies/Refunds/Charges	Estimated not to exceed \$450	\$450.00
29	Permit/Licenses/Tax	Town Fee \$100 X 13 boat slip and \$150 X 5 non-motorized kayaks	\$2,050.00
30	Tax Prep/CPA	Preparation Annual of POA Tax Forms	\$800.00
31	Service Contract	\$125/mo for service provided by contactor	\$1,500.00
32	Sanitation	\$189/mo removal of trash from dumpster	\$2,300.00
33	Fire Monitor	\$800/yr required lodge inspection + \$110/qt for monitoring	\$1,250.00
34	COA Quarterly Dues	\$1,148.38/qt for COA dues for Lodge	\$4,600.00
35	Website	Estimated Website and Domain Fee	\$200.00
36	Pest Control	Estimated Spraying inside Lodge and for Carpenter Bees on Outside	\$600.00
37	Returned Compliance Fee	No need to budget POA funds - money comes from property owner	\$0.00
38	Total Administrative Expense		\$24,350.00
39			
40			
41			
42	Lodge Expenses	Notes	
43	Cleaning Contract	\$400/mo to clean Lodge common area	\$4,800.00
44	Cleaning Supplies	Estimated based on 2021 Actual Spent	\$400.00
45	Gym	Gym Equipment Maintenance	\$175.00
46	Internet	\$42.80/month	\$550.00
47	TV Cable	\$66.86/month	\$850.00
48	Telephone	Estimated \$89/month for Pool 911 - Elevator 911 - Local Phone Line	\$1,100.00
49	Propane	Estimated Propane Used in the Lodge	\$600.00
50	Electric Lodge/Gate/Dock/Bridge	Estimated based on 2021 Actual Spent	\$7,500.00
51	Water / Sewer	Estimated based on 2021 + Increase in Water Usage for Irrigation Around the Lodge	\$5,000.00
52	Total Lodge Expenses		\$20,975.00

2022 Budget

	A	B	C
53			
54			
55			
56	Landscaping Expenses	Notes	
57	Landscape Contract	Mowing, Spray Weeds, Spread Mulch, Remove Leaves, Debris Cleanup After Sstorm	\$26,000.00
58	Landscape Projects	Mulch, Kudzu Removal, Irrigation Contract, New Landscaping, Tree Work if Needed	\$21,000.00
59	Turf Management	Estimated Monthly Lawn Maintenance from new vendor	\$7,000.00
60	Total Landscaping Expenses		\$54,000.00
61			
62			
63			
64			
65	Pool Expenses	Notes	
66	Pool Service Contract	Daily Maintenance of Pool March - October and Maintenance as Needed Nov. - Feb	\$6,000.00
67	Maintenance/Supplies	Estimated Need	\$3,000.00
68	Pool Repair	Estimated Need	\$2,500.00
69	Propane	Propane for pool heater	\$500.00
70	Total Pool Expenses		\$12,000.00
71			
72			
73			
74	Capital Expenses	Notes	
75	POA Reserve Account	Excess Funds at the End of the Year as Determined by the Board	\$0.00
76	POA Repairs/Replacements	Estimated	\$5,000.00
77	POA Projects	Dredging, Boat Storage Area Gravel, Pool Stepping Stone/Dock Path	\$15,000.00
78	POA Purchases	Pool Furniture	\$20,000.00
79	Total Capital Expenses		\$40,000.00
80			
81			
82			
83	Total Operating Expenses		\$151,325.00

FIREFLY COVE BOARD FINANCIAL PROCEDURE GUIDELINES
2021-Effective October 23, 2021

Article I
Contracts

- 1.1 Contracts for goods or services will be negotiated and executed by the President or another Board member at the President's direction.
- 1.2 Contracts over \$1000 require approval of at least two Board members.
- 1.3 Contracts over \$5000 require the Board of Directors approval.
- 1.4 Copies of all contracts will be kept on file by the Treasurer and the Bookkeeper.

Article II
Invoices and Receipts

- 2.1 Invoices or receipts will be required for all goods and services provided to the Firefly Cove POA. This paperwork must include a clear description and cost of the product and/or service provided. Any Board member with involvement generating an invoice or receipt should include "OK to Pay" notation dated and signed.
- 2.2 All invoices or receipts must be delivered to the Bookkeeper for payment.

Article III
Payments

- 3.1 A Board member will review all invoices or receipts with the Bookkeeper and consult as needed with other Board members for approval.
- 3.2 Check signing authority:
 - 3.2.1 Checks written up to \$1000 requires one Board member's signature.
 - 3.2.2 Checks written for over \$1000 requires two Board member's signature.
- 3.3 Check payments will be disbursed by the Bookkeeper.

- 3.4 A check disbursement log must be maintained for Monthly to Date and Yearly to Date reporting.
- 3.5 Any Invoice or receipt paperwork must be noted with traceability to a check number and Income Statement Line Item charged.

Article IV
Dues

- 4.1 Quarterly dues remittances will be noted by a Board member with the Bookkeeper for recording. A log of property owner dues payment status will be maintained by the Bookkeeper and reported on a monthly basis as part of financial statements.
- 4.2 All payment of dues will be deposited into the POA checking account by a Board member or the Bookkeeper.
- 4.3 Delinquent dues payments will be handled as follows:
 - 4.3.1 When property owner dues become 30 days past due, the Secretary will send an email reminding the property owner that the past due balance must be paid as soon as possible to prevent further action by the Board.
 - 4.3.2 If property owner dues become 60 days past due, the Treasurer with assistance from Board will be responsible for determining an appropriate course of action. Phone calls, E-mails, letter indicating legal action are possible remedies.
 - 4.3.3 Dues payments greater than 60 days in arrears will be assessed an interest penalty of 18% per annum. The penalty can be negotiated as part of a payment plan.

Article V
Financial Reporting

- 5.1 Bookkeeper will issue monthly POA financial reports no later the 25th day following the close of the previous month.
- 5.2 Reports will include
 - 5.2.1 Monthly to Date and Yearly to Date Profit & Loss Statement. A year to date Profit & Loss Budget Performance Statement
 - 5.2.2 Month End Balance Sheet
 - 5.2.3 A copy of the Association's Bank Statement
 - 5.2.4 A monthly Account Receivable Aging Summary
 - 5.2.5 A monthly Deposit Detail
 - 5.2.6 A monthly Check Detail
- 5.3 Reports will be distributed to all Board members via email. Financial reports will be available to property owners if requested.

Article VI
Financial Planning

- 6.1 The Treasurer, with assistance from Board and Finance Committee, will develop the annual operating and capital budgets. The Board will review and approve these documents prior to delivering the Budget to all POA members 60 days in advance of the Annual Property Owners Meeting. Purpose is to provide information for budget discussion and ratification during the Annual POA Meeting.
- 6.2 CPA firm will be selected to file tax returns and conduct audits as needed to verify accuracy of financial reporting.

Article VII
Essential General Maintenance/Repairs

- 7.1 Any Board Member/Officer may order or request reimbursement for items or services which are reasonable and necessary to address the essential general maintenance/repairs of Firefly Cove.
- 7.2 If the total cost for the essential items or services is less than \$200;
 - 7.2.1 A Board member is not required to obtain Board approval.
 - 7.2.2 Reimbursement for items/supplies must be "at cost".
 - 7.2.3 Hourly rate for services performed is not to exceed \$2050.00.
 - 7.2.4 Reimbursement for such items/services must be documented by an itemized receipt.
 - 7.2.5 Only itemized invoices, showing dates, times, hourly rate, description, etc. will be paid.

- 7.3 If the total cost for the essential items or services is greater than \$200;
- 7.3.1 Approval must be received in advance from the President of the Association or at least two Board members.
 - 7.3.2 Approval should be documented via email or other writing and attached to all receipts or invoices.
 - 7.3.3 Reimbursement for items/supplies must be “at cost”.
 - 7.3.4 Hourly rate for services performed is not to exceed \$2050.00.
 - 7.3.5 Reimbursement for such items/services must be documented by an itemized receipt.
 - 7.3.6 Only itemized invoices, showing dates, times, hourly rate, description, etc. will be paid.

Article VIII
Unbudgeted Spending

- 8.1 For obligations/expenditures not included in the current year's budget, the following procedures apply;
- 8.1.1 If the obligation/expenditure is deemed an emergency (safety/health/security threat), a board member may act to obligate the POA to address the emergency but shall make a reasonable effort to contact all board members for input in an effort to best assess the threat and address the emergency.
 - 8.1.2 For non-emergency unbudgeted spending under \$500, the obligation/expenditure requires the approval of a minimum of 2 board members.
 - 8.1.3 For non-emergency unbudgeted spending \$500 or above, the obligation/expenditure requires board approval.

8.1.4 Spending on all non-emergency unbudgeted obligations/expenditures may not exceed \$5,000 in any fiscal year without POA membership approval.

8.2 The President of the Association is exempt from 8.1.1 and 8.1.2.

Article IX

Improvement to Common Area/Amenity

9.1 Any new improvement to the common area/amenity that is greater than \$103,000 requires;

9.1.1 A design/drawing of the improvement to the common area/amenity

9.1.2 At least 2 written bids

~~9.1.3 Approval of the POA membership~~

Article X

Reserve Account

10.1 The Board shall maintain a Reserve Account with the minimum amount equal to the annual amount of Firefly Cove POA assessments or \$100,000 whichever is greater.

10.2 If there is not sufficient funds equal to the amount described in section 10.1, the Board shall deposit ~~all of the annual boat slip fees and~~ 50% of the year end cash balance into the Reserve Account until the Reserve Account is fully funded.

10.3 The Reserve Account shall not be reduced by more than 30% during a calendar year without the approval of the majority of the property owners.

Article XI

11.1 Any changes to this document must be approved by the majority of the Property Owners at the Annual Meeting or a majority of the Property Owners at a called Special Meeting.