

Minutes of Special Meeting of the Board of Directors Cove Pointe Owners Association, Inc.

Date: Thursday, December 2, 2010
Time: 11:00 AM
Location: 1139 Cove Pointe Drive, Panama City, Florida
Attendance: **Officers/Directors:** , Buddy Dye, President/Director, Christine Reiss, Treasurer/Director; Tom Neubauer Secretary/Director
Other Members: Tammy Newton

Proof of Notice of Meeting: For the record, Director Christine Reiss provided to the secretary for approval, proof of compliance that the meeting had been properly noticed by posting of written notice in the subdivision as required by the bylaws.

The meeting was called to order by Buddy Dye at 11:05 AM

Minutes: The minutes of previous special meeting August 2, 2010 were reviewed and approved.

Discussion of owner voluntary participation in lot maintenance program: Mr. Dye provided a recap of the board decision to implement the lot maintenance program discussed at the annual meeting on November 4, 2010, and presented to the board correspondence from one lot owner who strongly objected to the plan to the extent of refusal to pay his annual assessment. After much discussion, a motion was made to draft a letter to all owners in order to fully explain the rationale leading to the decision made at the annual meeting. General terms resulted in the board deciding to publish the following letter:

As association president, I would like to take this opportunity to update you on the efforts of our board and lot owners who wish to ensure that our neighborhood remains a truly attractive community. Clearly, Cove Pointe was not insulated from the recession and a difficult economy. While our property values have suffered, we can work together to help protect our investment.

Attached for your review are: (a) the draft minutes of the November 4, 2010 meeting; (b) a revised 2011 budget; (c) a summary of frequently asked questions regarding the recent action taken by the membership at the annual meeting. Those in attendance on November 4, 2010 recognized the practical limitations of our ability to require every lot owner to maintain their properties and the attendees developed a practical plan of action.

I am pleased to report the board met subsequent to the annual meeting resulting in approval of a revised budget to accommodate the plan. With a voluntary contribution from the developer of \$425 and, perhaps additional voluntary contributions by the owners of other vacant lots, an equitable and efficient implementation of the plan is likely. The 2011 assessment of \$610 provides adequate funding for operations and also includes funds to ensure a viable lot maintenance program.

As you may note from the Q&A attached, the Board remains compliant with the statutory requirement that annual assessments must be uniform to each property owner. The actual annual cost for mowing each lot four times per year is \$120. (\$30 each time X 4). Each vacant lot owner's assessment was only increased by \$95, so in essence, that vacant lot owner is getting \$120 worth of services for only \$95. The Board has determined that an Association controlled lot maintenance program is a necessary common expense to achieve the desired community-wide standard. Some vacant lot owners, including the developer, have felt that it is only equitable to voluntarily contribute to the Association the differential amount of \$25 per lot to offset the unintentional benefit that would otherwise flow to that vacant lot owner.

The annual assessment \$610 is due by January 31, 2011 and a return envelope is enclosed for your convenience. Although not required to do so, the owner of any vacant lot is encouraged to make their check to the association in the amount of \$635 per lot, rather than \$610.

Please take a few moments to review the 2011 budget, frequently asked questions and meeting minutes. These are also available on the website CovePointe.com. Thank you for your continued support for the work of our volunteer Board.

Sincerely,

Buddy Dye
Association President

Other business: no other business was presented for discussion.

The meeting was adjourned at 11:50 AM

These minutes approved at a special board meeting held on August ____, 2011

Tom Neubauer, Secretary