



**MINUTES OF THE ANNUAL MEETING AND
ANNUAL BUDGET MEETING OF THE
MIDDLE ISLAND PROPERTY OWNERS ASSOCIATION
MONDAY, DECEMBER 7, 2020**

The Annual Meeting and Annual Budget Meeting of the Middle Island Property Owners Association, Inc. property owners was held by Zoom on Monday, December 7, 2020. A Quorum was present by Zoom, Ballot and Proxy.

The meeting was called to order at 5:10 p.m. John York presided.

- **Introduction of Board Members.** The Board Members were introduced.
- **New Property Owners.** New property owners were introduced.
- **Statement of Co-President, Karen Melchionni.** Karen indicated the Board moved forward in the prior year with positivity, transparency, and cooperation.
- **Statement of Co-President, Lou Anne Barnhouse.** Lou Anne indicated our amenities are in good shape notwithstanding hurricane Isiais and that her heart and feelings go out to the Dogwood Ridge Lane neighbors who suffered the most damage.
- **Approval of Last Year's Minutes.** Alan indicated that the better practice was for the Annual minutes to be approved by the Board as opposed to the membership. He indicated the Board had approved the minutes of the 2019 meeting and they will be posted to the website.
- **Board of Directors Election.** Jeff indicated that our Business Manager, Chuck Pardee, will send to the Board the results of the Board elections and then the results will be sent to the membership. He indicated that property owners if they have not already done so can vote until the close of the meeting by emailing Chuck Pardee their ballots.
- **Financial Report and Related Matters Including Approval of 2021 Budget.** Jeff provided an update of the 2020 3RD Quarter report that was previously mailed to the property owners. Income for 2020 is currently \$148,000 of which approximately \$3500.00 is from Marina assessments. We have met all of our obligations and have funded our six reserve funds as scheduled. Despite the added expense of David's 10% raise and a monthly stipend to subsidize health care provided through his wife's policy, it appears that we are on course to realize a 10

to 12 thousand dollar surplus for the 2020 year. It is likely that the surplus is due to stable insurance costs as well as income of approximately \$6,000 from road impact fees related to new home construction. We were also able to avoid a second application of CaCl for dust control for our roads. There was a discussion regarding the lien placed on a property for nonpayment of two years of assessments. It was noted that the lien may need to be updated following the January collection cycle.

Jeff presented the 2021 Operating Budget as well as the 2021 Reserve Fund Budget. Recurring expenses including utilities, insurance, and dust control and reserve fund allocations remain stable. There are two major changes to the operating budget. David's 10% raise, including our portion of the payroll taxes which adds approximately six thousand (\$6,000) to the 2021 budget. Providing David health care by paying the cost of adding him to his wife's health policy adds approximately another \$3600 to the 2021 budget. Despite these added costs, we do not recommend an increase in our 2021 assessments and project that we should realize a \$1600.00 surplus with income exceeding expenses for 2021.

The Reserve Budget was then discussed. The projected January 1, 2021 balances of each Reserve Fund were presented. (Copies of both budgets were included in the property owner's handouts). The proposed capital projects for 2021 were noted. The two major projects for 2021 are the replacement of the two bridges at the west end of Cape creek Road, as well as the replacement of the concrete Marina launch slab. Jeff noted that approximately \$6,000 of the Bridge project had already been spent for a land Management evaluation, a survey, and an engineer's evaluation. We have not yet been able to obtain bids for the actual construction of the earthen bridges, since the engineer had not yet finalized the plans. A rough estimate of \$75,000 was submitted. It was noted that the launch slab replacement might be less costly since the new bridges would make it feasible to deliver a concrete truck to the site and pour the slab in place instead of placing prefab concrete slabs in place from a barge. A projected cost for the boat launch project is \$35,000. Other approved capital projects including a kayak launcher for Cape Creek and repair of the terminal portion of the beach access were discussed.

After further discussion, the property owners voted to accept both the Operating as well as the Reserve Budget for 2021.

Finally on motion duly made and seconded the 2021 Budget was approved without objection.

- **Middle Island Architectural Review Committee.** Melanie Robbins who chairs that Committee indicated that Karen Mosteller of the Bald Head Island ARC will be retiring soon and that Karen Mosteller and Melanie and Lynn Barnard (especially Lynn Barnard) did a thorough review of our guidelines and submitted them to our Board. Melanie also indicated they had dealt with eleven (11) issues over the past year, five (5) new homes and six (6) existing homes and that two (2) people have asked to join the Board and the Committee will address that issue in January. Finally, she indicated that the Committee will again review the guidelines for suggestions made by property owners but ultimately the Board must approve these guidelines.

- **Beach Access.** Fred reported on the beach access. He indicated he did the initial set of drawings and that he anticipated that the beach access will be redone in January but that he needs to look at it again as the dune is dynamic and the plans may require change.

He also mentioned the Board had provided funds for drainage on the west side of East Beach Drive.

- **Marina.** Alan reported on the Marina that we are still waiting for the engineer's drawings so they can be submitted to the various regulatory authorities, i.e. CAMA, Corp of Engineers, and then hopefully, if approved, can be let for bid.
- **Kayak Launcher.** Cooper indicated that Carolina Floats was very unresponsive, but he would persist and, if not, he would look for alternatives.
- **Gate.** Karen indicated several homeowners approached her in the summer about a gate. She and Lou Anne thought the best way to do it would be to have a committee set up that would do a joint listing of the pros and cons of the gate.

Elayne Bennett indicated she wants to be on the Gate Committee. Fred indicated we now have good information on how many vehicles came down the street.

- **Other Business from Property Owners.** Karen indicated that David called at 5:30 p.m. on December 7th and wanted to put his son on a part-time basis at \$16.00 to \$18.00/hour. She indicated this was just food for thought. Several property owners indicated they thought it was a good idea as it would provide a back-up for David and it was appearing there was just too much for David to do. Jane Johnson indicated that the road was in very bad shape around the eastern intersection of Dogwood Ridge Lane and Cape Creek Road. Chuck Anderson also indicated that he did not think the right-of-ways were kept up as well as they have been in the past. Chuck also indicated he felt the integrity of Cape Creek Road east of Karen and Gary's home was compromised. Nancy Easterling wanted to know who was in charge of roads and why we didn't have a road committee. Fred suggested that Nancy send him pictures of the problems. He indicated Cooper will help. Elayne Bennett brought up some issues about the loop road where the Larson's are building where Marcus Smith has a lot where the loop road bisects that lot. It was indicated that the right-of-way of that road was deeded to us by the Young's and we should be responsible for maintaining it and not Marcus Smith.
- **Adjournment.** The meeting was adjourned around 6:35 p.m.