

**Black Rock Development Owners Association, Inc.
P.O. Box 14
Merry Hill, NC 27957**

Annual Homeowners Meeting December 6, 2024

Call to Order

The Annual Homeowners Meeting was called to order at 9:05 am. Board of Directors (BOD) in attendance: Mary Small and John Davis. Mary chaired the meeting.

Introduction of HOA Management:

Mary Small – President

Levi Lewis – Vice President

Meredith Howdyshell – Secretary

John Davis – Treasurer

Members of the Architectural Controls Committee:

LeAnne Clayton

Joe Honig

Jeff Howdyshell

Shaun O'Hara (new 2025)

Eric Schrecengost (new 2025)

Welcome to the newest HOA members:

Bowen

Curlings

Giles

Hemphill

Martin

Maruhn

Ramsey

Taylor

Vattilana

2023 Annual Membership Meeting Review

Highlights (Please refer to presentation deck for detail):

- Four new homes completed; 3 under construction — Good, Jernigan, Phillips, Davis (almost);
- Six lots and two homes purchased;
- Capital reserves begin 2024 at \$61.0K and will end at @ \$62.6K. The \$16K in 2024 earnings will be used or reserved for legal expense;
- Best in class community appearance relative to landscaping;
- Community build out at 48% (up 3.1% over last year). Built plus under construction/total lots buildable at year end;
- Wreaths Across America will cover all vet graves for second year;
- Food Drive already at \$1900 raised with two weeks to go;
- Will still have funds for 2033 road repaving.

2024 In Review

Successes:

- Six lots sold. Jernigan, Kalomeres, Good, and Phillips new homes completed and occupied. Faulconer and Davis homes are nearly complete.
- Eight lots and or homes sold. Community buildout will increase to 48.6% by mid 2025 from 45% in 2023.
- Third year of mowing program revives upper end community look.
- Better vacant lot program the last 3 years has improved mowing of vacant lots, We appreciate the help from our vacant lot members.
- We exceeded our income budget by \$3.5K for the year.
- We will be able to fund up to \$26K in legal expenses, if needed, and still make our 20 year capital budget. CD interest offset and accepting lower long term capital balance with no program loss, allows us to defend our community standards and value.
- Instituted an act of nature tree removal procedure in community rules to help ensure that downed trees are addressed.

Challenges:

- No Department of Transportation meeting. Personnel changes at the regional level

State of the Association:

Financial:

- Assessments are still lower than comparable communities in area.

- Reserve balance started 2024 at \$62.6K will end 2025 at \$64.2. Increase is CD interest. In 2024, we spent would be earnings of \$10K for legal retainer and will reserve \$6K of legal expense to fund Covenants, Condition and Restrictions (CC&R) protection. If we settle the case without going to court, some money will be returned to capitol reserves.
- No assessment for CC&R fence issue, at this time.
- Only risk of a special assessment is from major storm damage.

Community:

- The community continues to see very strong sales and home construction in 2024.
- Community appearance remains best of class in the area.
- CC&R need updating. That cannot happen without support from every owner. We must enforce current CC&R until changed. That can only happen when we have enough votes to do so. This year's effort to gage support demonstrated that updating our governing document was not a community priority to enough members at this time.

Roads:

- NC DoT maintained roads are in very good condition.
- Our two private roads remain in good condition but are aging.
- Reserve Fund focus to pave for state acceptance remains budgeted for 2033.

Community Support Programs:

Wreath Across America

- Program purchases and lays wreaths at Veteran graves at Edgewood & Hillcrest Cemeteries, Windsor, NC.
- The Black Rock Community has donated funds for the purchase of wreaths since 2019.
- Members of the Community participated in the wreath laying event.
- In 2024, we have 520 vets who need a wreath. With your continued kindness, we exceeded our total number needed and have wreaths in reserved for 2025.

Bertie Good Shepherd Food Pantry

- The food pantry has various programs that serve people who suffer from food insecurity.
- Our community has donated food and cash since 2019.
- The Black Rock community has, once again, done an outstanding job of supporting our local community. In 2024, we exceed our donation in 2023.

Community Day-September 21st

We had a great time! If you did not join us, please consider coming next year. We had the opportunity to meet some of our new neighbors. It was fun evening!

- Musical duo from Nags Head played and they were **great**.
- Members donated all money to pay for the duo.
- Ted Good refurbished the stage so the band had a place to play.

Treasurer's Report:

John Davis presented the 2024-2025 Treasurer and Budget Report to the membership. A complete breakdown of the entire Treasurer and Budget Proposal Report can be found in the 2024 Annual Meeting slides posted on the Community website (blackrocknc.us/welcome).

The President called for a motion to **Approve** the 2024 Treasurer's Report and Budget. The motion was seconded. The membership **Approved** the Treasurer's Report and Budget.

Capital Budget Notations

- No major projects until 2033. Road paving and state takeover is a capital focus.
- Tree replacement has been out of the capital budget for some time. The HOA has no plans to replace trees going forward. Impacted are Leyland Cypress's, Crepe Myrtle, and Water Oaks.
- Key strategy to avoid future capital cost increases is to turn over Rice Pond and Swan View to the State. Planning with DOT hopefully was to start in 2025. The plan has \$106K to add paving to state spec and turn roads over in 2033, if the state agrees. Legal issues in 2024 delayed meeting with DOT.
- Major pier, bulkhead, or front sign damage prior to capital plan will require an assessment to fix unless the HOA votes to delay the roads. There are some doubts if our roads will go beyond 2033 without repair. Roads remain the 10-year focus for capital.
- \$2K in capital plan per year for maintenance repairs on swales, bulkhead, front sign, Todd Park, and pier.
- Legal defense of CC&R will reduce timing of capital flow. End of plan can accept that.

What was the Board focus for 2024?

- Develop a plan for board turnover and, if needed the engagement of a management company. Fortunately, members of the current Board and community members stood for election. Community members volunteered for the Architectural Control Committee(ACC) and were appointed by the current Board. A very special thank to Joe Honig for his many years of service on and chairing the ACC.
- Execute the operating budget as approved. Budget exceeded but funds will stay in operating budget for legal defense.
- Work with landscaping maintenance contractor on implementing contract. Sunrise will do both contracts in 2025. We thank Ted Good for his service on the small contract and for mowing individual lots at below market price. Ted is retiring from HOA physical work and we thank him for all he has done over the years for our community.
- Continue to build the reserve fund balance with a road focus. No new capital projects are in our budget planned until roads are repaved to state specification

and turned over in 2033. 2024 funds used for legal expenses to defend CC&R but we can still make 2033.

- Since last year's vacant lot maintenance standards tweak, best mowing of vacant lots since members took over HOA. Thank you to the community.
- Meet with State DOT to determine best path forward for state acceptance of remaining community private roads.
- Continue to explore the service and cost if a management company becomes necessary to manage the activities of the community.
- DOT meeting delayed due to fence legal issues.

Board Elections:

- Three community members ran for election for the seats vacated by Mary Small and John Davis. They were:
 - Brandon Johnson
 - Chuck Schmieler
 - Meredith Howdyshell
- Chuck and Meredith won the open positions.

2025 Committees

2025 ACC Committee Members:

- LeAnne Clayton
- Jeff Howdyshell (chair)
- Shaun O'Hara
- Eric Schrecengost

Hospitality Committee:

Tricia Collis

What did our members have to say?

1. John Jernigan – Asked the Board to investigate putting some cleats on the pier for temporary mooring and to investigate moorings (pole or ball) that boats could tie to for the weekend with 360 degrees of rotation.
2. Mike Adams (Chicago Mike) – reminded the Board that valuable time is lost when EMS from Colerain are not able to come through the farm road. Although overtures to the Cooke family have fallen on deaf ears in the past, he asks the Board to remain diligent in keeping this request alive with the authorities and the Cooke family.
3. Ted Good – offered his opinion that we should not wait until 2033 to turn Rice Pond and Swan View over to the State. It is his belief that with the current reserve funds and a small assessment this could be done at any time. Ted estimated the assessment at no more than \$100 per member. The assessment would provide (100*100) \$10,000 and we would have about \$72k if that occurred. The estimate to repave Swan View and

Rice Pond two years ago was \$90k. However, we may not have to pave the entire surface.

4. Phil Van Dongen – Suggested the board consider ways to create more activity and use at the Pavilion. Horseshoes, badminton, bocce ball, and pickle ball were suggested. Consideration to provide enough parking will have to be part of any decision.

The meeting was adjourned at 10:35.