

MINUTES OF THE ANNUAL MEETING OF
THE LAKES AT BELLE TERRE HOMEOWNERS ASSOCIATION
November 2, 2011
6:00 p.m.

The Annual Meeting of the Lakes at Belle Terre Homeowners Association, held at the Watson Library was called to order by Cheryl Hensley, President.

The proxies and homeowners present were counted and it was determined that we were four homeowners short of a 51% quorum. Cheryl explained that the meeting would have to be adjourned and reconvened in 30 minutes, at which time a 25% quorum would be needed to conduct business; and, that we would have over the minimum percentage needed to conduct business.

After the necessary time lapse, the meeting was again called to order by Cheryl Hensley, President. Cheryl introduced the Sergeant at Arms , Deputy Barney Macklin . Cheryl then introduced David Strong, Treasurer, Denise Sharon, Secretary, Danny Church, Chairman of the Architectural Committee and Director, and Carol Harrison, Director. She then introduced herself, Cheryl Hensley as President of the Association.

Cheryl offered special thanks to Peggy Guhn, member of the Architectural Control Committee and Chairman of the Welcoming Committee. She stated that Peggy had done an excellent job on obtaining and preparing the welcome gift packages, and they had all been delivered but one.

She also gave special thanks to Dean Goodell, who volunteered to leave a corridor on his property on Rue de Lac as an extra lake access. The developers did not leave enough accesses to the lake to adequately serve the whole subdivision, and when Mr. Goodell installed his fencing, he left the additional access in his yard; and, told Cheryl that when we posted signs for the lake access, that we could also post one in his yard advising people that they could walk through his yard to access the lake without having to go all the way to the end of the block to do so.

Cheryl stated that our largest project this year was the back lake cleanup and erosion repair. The back lake was dangerous to walk around due to nutria damage and erosion. The Association had some dirt work and grading done. Board members had received complaints regarding snakes in that area. The whole area was covered with brush and thick blackberry bushes. Residents

were having problems with snakes coming up into their yards. The Association paid to have the brush cleared and the eroded area filled in. Grass is now in the process of growing back, and should look nice back there by Springtime. The area was seeded and mulched, and will just take some time to fill in. Homeowners are now able to walk all around the lake safely without falling in the lake or being attacked by a snake, although this can be a problem at any time living near water.

The next lake project will be to reset the rules signs and post additional signs. They will be set in concrete above the water line. We've found that when kids are out on the lake in boats, they will tie to them, and being below the water level, then tend to fall over or lean. Cheryl stated that putting them in concrete above the water line should remedy the problem.

Cheryl further stated, that as discussed last year, we have cleared all lake accesses of encroaching fences. Mike Tank will handle all restoration of any damaged areas, particularly between the Byers and the McRae's house, when the grass is dormant this winter. We have no access to water at that location, so the work will have to be done over the winter.

Cheryl reported that we hope to install our lake access and rules signs this Spring and to repair some sidewalks around the subdivision at the same time. The sidewalk concrete repair will be done at the same time that the lake signs are set in concrete. Cheryl asked homeowners to call or email her with the addresses of sidewalks that are in need of repair.

Cheryl also said that we are planning subdivision activities, including: another Easter egg hunt, possibly a "snow" day for the children, wherein a ton of snow is brought in allowing the children to have snowball fights, etc., and possibly a fall barbeque or jambalaya party. She said that we have waited too late this year to plan one, but is in hopes that it would be an activity that a lot of homeowners might like, because we have had some requests for something like that.

Regarding the entrance sign, Cheryl explained that vandals had broken the fleur de lis on one of our signs, and that has now been replaced. She mentioned the destruction at the entrance caused by a drunk driver, wherein some of our trees were damaged. She said that this would be cleaned up as soon as feasible, and that we would collect from the driver's insurance company to repair the damage. Cheryl will obtain a copy of the police

report. Since the damage has been photographed, Mike Tank will begin cleanup of the area.

The Association email network has been working great, Cheryl reported. We have newsletters going out every 2-3 months to keep everyone up to date. If anyone has anything to that needs to go out to the neighborhood, Cheryl asked that it be sent to her for inclusion in the newsletter, as long as it wasn't political, or something like that.

The neighborhood directory is just about ready to print, and we hopefully will get that published this Spring. We now have all of the information, and almost 100% participation in the email network. Once we get the directory out, homeowners will have the necessary info to contact other homeowners. Cheryl stated that if anyone does not want to be included in the directory, please let her know and only your name and address will be included.

Cheryl is maintaining and updating the website. All restrictions are posted there and you can print them out if you want. Quarterly financial reports are also available there, and beginning this fall, we will be posting our Board meeting minutes, so any of you who are interested may keep up with what we are doing behind the scenes all year. They will be archived there, so if there is anything you want to look up, you can do so.

A question was asked about approaching the Board with questions or suggestions. Cheryl stated that anyone could pick up the phone and give any Board member a call, or could contact any of them by email. A homeowner suggested that the dates of the Board meetings should be listed so that homeowners could approach the Board prior to the meeting. Cheryl said that it was a good idea for us to post the Board meeting agenda, although we don't always know when we will have a meeting. Cheryl suggested that we could probably post the date of the meetings 10 days in advance. Cheryl said that she could shoot it out to all members with the agenda.

Cheryl said that for a while we were having trouble with broken streetlights. She informed us that Danny has taken over as our "streetlight" guy, so if anyone notices the streetlight not coming on, or if there is a broken globe, either call or email Danny and let him know, as he is staying on top of it.

Cheryl offered special thanks to our member Jeff Cody. Jeff is an attorney and volunteered to represent us in the Tugwell, Tabor, Pendarvis, Demaree

case. Cheryl stated that some homeowners might not be aware of the law suit. She told them that they could go online to our website and read past newsletters relative to all of the drama that has been ongoing for the last year relative to the law suit. Cheryl said that Jeff Cody has done an excellent job.

Cheryl further explained that new homeowners might not be aware, but that these are the people who filed a law suit against the homeowners association basically seeking to have the association disbanded. She stated that this is the basic goal of the law suit. She explained that we need the HOA to take care of the things that we have been doing all year. She said that without an HOA, there would be no one to pay bills, maintain landscaping, etc. She said that we had a hearing date set, and then the plaintiffs amended their original petition, which delayed the matter, and caused us to have to file another answer. Cheryl stated that the matter is slowly snaking its way through the court system, and hopefully we will have more info soon. The next thing coming up relative to the suit is probably an injunction. Someone asked how long the suit would go on, and Cheryl stated that she didn't know, but hopefully we would have it wrapped up this year.

Cheryl stated that in the lawsuit there are allegations that past Boards had been having meetings and conducting business without a quorum, and that may be true. Cheryl stated that those present probably wonder about the delay at the beginning of the meeting, and explained that we are making sure that there is a quorum for our annual meeting. In the suit, they also complained about having to pay dues, and the Tugwells, in particular, want to be able to raise chickens in their backyard, even though it is in direct opposition to the restrictions. Cheryl said that she would try to keep homeowners updated on the website and newsletters, about any developments on the lawsuit.

Cheryl said that regarding legal matters, the HOA has hired legal counsel who will handle collections, injunctions and all legal matters other than the case just discussed. The Association has already turned several legal matters over to him for action, and he has agreed to collect his fees directly from the defendant, so we won't have upfront legal fees. We only have to pay the costs, so this is great. That will save a lot of money, which could be better spent improving the subdivision. Cheryl reported that we do have some pending law suits:

Jason Sanford, involving an injunction for storage of a junk truck on his driveway, plus collection of dues for seven years. This was our most egregious case.

Several liens have been filed against owners who have not paid dues: Shane Badeaux, Brandon and Ginger Barton, Ryan and Wendy Dawson, and Lawrence Perteet.

Liens have also been filed on vacant properties whose owners are Gene and Rasty Parker and Quang Trinh.

Cheryl said that including the Tugwells, Tabors, Demarees and Pendarvis, there are approximately 10 members seriously delinquent in their dues who have had liens filed against their properties awaiting collection.

Cheryl stated that the President's report was concluded and opened the floor for questions.

One of the homeowners asked the name of our legal counsel. Cheryl said his name is Lane Bennett, and he is a real estate attorney. The homeowner asked if he was doing our legal work pro-bono, and she responded in the negative, but again stated that he would collect his fees from the defendants. Additionally, Cheryl stated that should the HOA lose in any lawsuit, the HOA would cover the attorney fees. We will be paying the filing fees up front but those will be recovered from the defendant if we are successful.

A question was asked regarding the projected legal fees for 2012. Cheryl explained that there are two entries for legal fees, one for the defense of the Tugwell suit (Jeff Cody) and the other for general counsel services, which would be Lane Bennett. We are estimating for next year, an up front \$2,000.00 cost, which would not include attorney fees for the attorney to do the collections. She explained that this is just an estimate of projected costs. The 2011 3rd quarter report is up to date on costs that have been expended this year to date for legal fees.

Another question was asked regarding whether the attorney is a real estate attorney. Cheryl answered in the affirmative.

There were no other questions.

Cheryl explained that the Board of Directors had passed some acts this year that don't appear on the ballot. The Ratification includes last years' election, acts and all actions taken by the Board of Directors in 2011. She stated that there is one vote per lot. Cheryl asked for a motion to approve the Ratification. She offered to read the acts, although copies had been provided to all members. Motion was made to ratify officers and all acts. Motion was seconded. The majority voted "yea", with a couple of "nay" votes. Cheryl asked David to vote the Proxies. Motion was passed by voice vote as well as 39 "yea" votes by Proxy. It was noted for the record that there were dissenting votes by Byers, Demaree and Barrilleaux, although not all of these residents are voting members in good standing.

A question was asked as to whether the Acts are amending the by-laws. Cheryl explained that the Acts passed by the Board of Directors were enacted under the authority of the by-laws relative to rules and regulations related to the common areas or issues necessary to conduct the business of the HOA.

Another question was asked as to whether a homeowner could appeal the Acts. Cheryl stated yes, although these Acts were sent out to members by mail and email, and no homeowner spoke against them. However, she stated that if a homeowner objects to an Act, they appropriately should raise the objection prior to the deadline for including an issue on the ballot for the next annual meeting. The deadline date this year was August 31, 2011, which was announced several times by email. This year there were no suggestions or complaints raised by a member in good standing. The Board will set a deadline each year and announce it well in advance. This is required because Ballots have to be sent out at least 30 days before the Annual Meeting, and then we also need time to deal with whatever the suggestion might be. The same schedule will be followed in 2012.

Barrilleaux asked if the Ratification included the current Board of Directors because they were not elected by a quorum. Cheryl explained that there was a quorum at the last Annual Meeting, but included that in the Ratification in an abundance of caution, because of the law suit. There was some discussion that there had not been a quorum in the past, but at the Annual Meeting in 2010 there was a quorum.

A question was asked as to where in the by-laws the Board is given authority to enact Acts or change restrictions. Cheryl explained that the HOA is run

like a corporation; and, like a corporation, you have to enact certain policies and procedures in order to conduct business, and that is what is being done with some of these Acts, which do not require a general vote.

Byers stated that it was his belief that when the HOA was started it was required to have a 2/3 majority of all members vote for any new Act, and the Board did not have the authority to enact new amendments that would add to the by-laws. Cheryl stated that any additions to the restrictions, such as fines, were voted on but that rules related to regulation and use of the common areas or some policy issues were not changes to the restrictions that required a general vote.

Mr. Blankenship questioned the amended fees. Cheryl responded that our by-laws and restrictions give the Board the right specifically to increase the fees periodically as necessary. In previous years, the Board has chosen to put that to a vote. This year, the Board decided not to do so, but to leave the dues set the same as voted on last year.

A question was asked regarding fines, and Cheryl responded that they were voted on by the membership in past years and ratified in 2010. The Board was given the authority to enact fines up to \$10.00 per day but we didn't do that until early this year.

A question was raised regarding the servitude between the street and the sidewalks as to ownership. Cheryl stated that the servitude does not belong to the lot, that the lots end approximately six inches past the sidewalk. The drainage runs under the servitude, and if you look at the plat, you will see that the servitude is not included in the lot size. Alvin Fairburn and Associates, is the surveyor who surveyed the subdivision layout, and the servitude is not part of the lots. The servitude is owned by the HOA and maintained by the homeowners.

Byers stated his belief that the servitude from the street up is fifteen feet, but that some of the sidewalks are built as much as twenty-five feet up, so some of the sidewalks aren't actually on the servitudes.

Cheryl said that the next order was to accept the minutes from the 2010 Annual Meeting. Cheryl read the minutes, (copy attached). A motion was made to accept the minutes. The motion was seconded and unanimously approved.

David Strong presented the annual Treasurer's Report and distributed copies of same.

A question was asked as to what happens to the money that is left at the end of the year. David explained that the funds carry over to the following year. He stated that quarterly budgets are posted on the website, and that the proposed budget for 2012 was sent with the ballot packages, but had extra copies if anyone needed one. David went over the proposed budget, explaining that the amounts were all projected amounts. David asked if anyone had questions, and they did not.

A discussion of the ballot was brought up by Cheryl. She asked that any homeowner who has not done so, to complete their ballot and turn it in to David. A few of the homeowners present gave David a ballot.

Cheryl explained that the ballot contained only those names of people running for office and a place to approve the projected 2012 annual budget, as required by the by-laws. Cheryl said that David would tally the votes, and during that time, that new business could be discussed.

Cheryl informed the homeowners that the Board is looking into the matter of who is responsible for maintaining the drainage culverts and sidewalks in the subdivision. She said that the Board has been getting conflicting messages from Parish officials about this, and we would turn the matter over to the general counsel to research, and get back with us. Cheryl stated, that the homeowners may have noticed, there are a number of washouts around the base of the culverts. An engineer with soil and erosion (a federal program) looked at the lake problems that we are having and advised us regarding erosion and problems around the lake; and, also viewed the drain culverts around the subdivision. He advised, regarding the drain culverts, that washouts should be packed well with clay soil. There are a lot of washouts throughout the subdivision, and we need to find out who is responsible. The Parish says homeowners are responsible; however, from reading in the law regarding subdivisions, it appears the Parish is responsible for maintaining drains. Therefore, we are getting a legal opinion on the matter, from our attorney.

We are also looking into planting trees around the lake to control erosion and stabilize banks. According to the soil and erosion expert, cypress trees

are best to control erosion on the banks, but any vegetation with a good root system would help.

Cheryl told the homeowners that the Board is also monitoring fish population and water weed growth. The Board has checked into grass carp to inhibit weed growth but that no decision has yet been made. The subdivision has obtained a permit to purchase the carp should we decide to do so.

Barrilleaux said that the carp are not a good idea. A lot of lakes have been ruined by the introduction of grass carp. He stated that we would end up with no fish at all if we get grass carp for the lake.

Byers stated that algae was a major problem at one time, but that was taken care of. He stated that it would be detrimental to eradicate all grass weeds. He also stated that the problem with the grass weeds vary from year to year.

Cheryl said that we only have 5 minutes to conclude the meeting, and asked David to announce the vote.

David said that all five directors had been re-elected, with Cheryl Hensley as President, Denise Sharon as Secretary, and David Strong as Treasurer. Danny Church and Carol Harrison were elected as Directors at large. He said the Proposed Budget for 2012 passed as well. There were a total of 45 ballots cast.

Denise Sharon made a request for volunteers, and told homeowners to feel free to contact anyone on the Board with any problem or concern in the subdivision.

Cheryl stated that the newsletter would be going out regarding the meeting with the results of the voting. She also asked homeowners to contact the Board regarding any questions they may have.

Danny Church stated that he hears criticism about Cheryl and the Board from time to time, but the work that the Board does is like having another full time job. He said that people have been upset about having to move fences, and things like that, but the accesses needed to be cleared. He stated that the Board does not have an easy job, and sometimes people do not agree

with their decisions. He stated that he knows how hard the Board works to keep up our property values and that they have done an excellent job.

Cheryl stated that our time was up, as we are allotted two hours for our annual meetings. A Motion was made to adjourn, was seconded and passed by unanimous consent.

Annual Meeting Taped by
Denise Sharon, Secretary

Annual Meeting minutes typed by
Carol Harrison, Acting Secretary