



Scotts Mill Homeowners Association, Inc.
Apex, North Carolina

Recreation Committee Charter

Whereas the Scotts Mill Homeowners Association is responsible for the maintenance of the common property.¹

Whereas the Association has purchased the property referred to as the Southern Oaks Recreation Center.²

Whereas the affairs of the Association are managed by a Board of Directors,³ the Board of Directors being ultimately responsible for the maintenance of the common property.⁴

Whereas the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.⁵

Now, therefore, the Board of Directors hereby forms and appoints the Recreation Committee subject to the provisions of this Charter.

Article I. Definitions

The definitions sections of the Scotts Mill Declaration, Scotts Mill Articles of Incorporation, and Scotts Mill Bylaws are hereby incorporated by reference. This Charter shall be interpreted consistent with those documents.

Article II. Committee Members

Section 1. Appointment. The Recreation Committee shall consist of five or more members of the Association appointed by the Board of Directors. A Chairperson shall be selected from the members of the Committee and shall be ultimately responsible to the Board of Directors for the actions of the Committee.

Section 2. Resignation and Removal. Any Committee member may be removed with or without cause by the Board. Any Committee member may resign at any time by giving written notice to the Board or the Committee Chairperson.

Section 3. Compensation. No Committee member shall receive compensation for any service rendered to the association.

¹ Declaration of Covenants, Conditions, Restrictions and Easements for Scotts Mill (hereinafter "Scotts Mill Declaration"), Art. VI, sect. 1.

² Scotts Mill Declaration, Art. II, sect. 6.

³ Articles of Incorporation of Scotts Mill Homeowners Association, Inc., Art. VII.

⁴ Bylaws of Scotts Mill Homeowners Association, Inc (hereinafter "Scotts Mill Bylaws"), Art. VIII, sect. 2, para. (g).

⁵ Scotts Mill Bylaws, Art. X.

Article III. Duties

Section 1. The Committee shall be responsible for the maintenance and operation of the Recreation Center. The Committee shall conduct an inspection of the property at intervals no greater than monthly.

Section 2. Expenditures

(a) The Committee shall prepare an annual budget for the operation of the Recreation Center. The budget shall include the estimated cost of any capital expenses, repairs, and contracts for services. The budget shall be submitted to the Board for approval and inclusion in the annual budget of the Association.

(b) All contracts for services require the approval of the Board. The Committee shall establish criteria for evaluating prospective service providers based on the needs of the Committee. In recommending a contract with a service provider, the Committee shall provide to the Board: (i) the list of prospective service providers; (ii) the criteria used to evaluate the prospective service providers; (iii) a summary of the evaluation of each prospective service provider; (iv) a copy of the contract; and (v) any other information requested by the Board.

(c) All purchases of equipment and supplies shall be approved based on the availability of budgeted funds.

(d) The cost of any repairs shall be paid from budgeted funds or reserve funds at the discretion of the Board.

Section 3. The Committee shall establish rules governing the use of the Recreation Center facilities. The rules shall be submitted to the Board for adoption and publication prior to the rules taking effect.⁶

Section 4. The Committee shall establish fees for the rental of the Recreation Center facilities and for membership of non-Members.

Section 5. The Chairperson, or a Committee member designated by the Chairperson, shall take minutes of all Committee meetings and submit the minutes to the Board prior to the monthly meeting of the Board of Directors.

⁶ Scotts Mill Declaration, Art. VIII