

Runaway Bay HOA Executive Work Session

April 13, 2004

The first work session of the RB HOA was held at the home of President, Roger Winters. Roger called the meeting to order and began discussing the issues that he had introduced to the group as our agenda for the day.

The following questions that Roger prepared and the discussions are noted as follows:

Q. We will have formal meetings (minutes kept) but do we also need informal meetings (strategy/status) meetings with no official minutes kept?

A. The Board will notify the property owners of pending Executive Board meetings, and we will prepare and post minutes of those meetings on our web site. We will also have work sessions (no board voting will take place during these sessions) and we will post the results of those meetings on the web site. The recommendation was to have Executive Board meetings quarterly with an annual Board Meeting to elect new officers. All property owners will be notified by postal mail of the annual board elections well in advance to get nominations for the board. Notices of any issues to be voted on will be posted on our web site 30 days prior to any Board meeting.

Discussion on the revised Architectural Guidelines resulted in asking the Architectural Committee to have the final document prepared by the next meeting on 28 April 2004, so that the Guidelines could be posted on our web site by April 30th for a 30-day period for property owner review and comments. A letter will be sent out to all property owners informing them of how to get the Guidelines from the web or a copy by mail if web access is not available. An Executive Board Meeting will be schedule to coincide with the May Picnic where the new guidelines will be voted on by the board.

Q. Regarding the Treasurer, can we ask a property owner to help with the treasurer even though he doesn't live here permanently?

A. After a lengthy discussion, the Board felt that we must have a permanent resident as treasurer or a local CPA and/or property management group to handle the checking, bill paying reporting, and other accounting functions with direct board oversight. Bill Wallace is in process of investigating potential candidates.

Q. Paying bills (two signer minimum?) everyone on the board can sign?

A. Discussed of this issue prompted a decision to have all board signatures on the bank signature card so but require two signatures on every check written. This way any two board members could make payments, write checks, if the President and Treasurer were not available.

Other Items for discussion:

Q. Legal Requirement for the HOA to issue a Disclosure packet upon resale of property and the proposed \$100 fee to prepare that packet.

A. The Board feels that it is proper to be consistent with other HOA's that we have knowledge

of and that the fee is reasonable, so we will require a \$100 fee from the seller for the Disclosure Packet, which will be provided prior to closing to the buyer.

Q. How were they done-amendments to past RBHOA policies?

A. There are guidelines, we will study them and will investigated how we should go about making changes to RBHOA policies. This item will require future discussion.

Q. For Sale Signs within Runaway Bay? One has been spotted already at main entrance just outside the community! The covenants prohibit any non-approved signs.

Karen's suggestion? (To erect a posting board at the Pavilion to house a map and corresponding list of lots or homes for sale.). The Board felt this was very time demanding and that the Board was not really in the real estate business.

A. The Board discussed whether to allow signs other than “neighborhood watch” signs and have submitted information for discussion to the board and to the architectural committee, to be brought up again at our next work session.

Q. Association of Lake Area Communities (ALAC) Membership. Should we join and if so, how should this be paid for (TAC or HOA funds)?

A. The Board agreed that we should join and participate in ALAC as it advises all of the Lake area community HOA’s in this area and provides for training and other information and assistance. Given that joining this was not part of the River Oaks budget and plan, and that some money remains in the Transition Advisory Committee budget, the board decided to fund the \$50 payment from TAC funds. (\$25 initial fee, \$25 annual dues).

Q. Community Associations Institute (CAI) Membership (now or later)

A. CAI is a national organization with many training courses and conferences, policy and advice information, etc. Given we don’t yet have this in the budget and need to have the books audited, the board decided to table this for consideration much later.

Q. ALAC Training May 15th (list of those interested)

A. Four board members are to attend the training; Jim will not be able to attend. This educational training is to assist new HOA boards in learning the requirements of running an HOA.

Q. Refunding the road bonds for the streets that VDOT has accepted?

A. Mr. Winters will review the status of Road Bonds, verify which have been reimbursed and which haven’t and we will reimburse those where the houses have been completed without damage to roadways and other property shortly. Action to follow once the review is done.

Q. Get an HOA Postal Box

A. Roger told River Oaks Development that we would provide a transitional P.O. Box for them to advise all HOA members of the new HOA Board address. Roger agreed to purchase the box and advise River Oaks so that the HOA Board Election results and Transition Meeting minutes could be mail to the property owners with the new HOA address and web site included. Initial funds for this transitional mailbox will be paid from the TAC account with later fees coming from the new HOA Board treasury.

Q. Get a Bank Account set up for the new property owner run HOA and deposit the funds from River Oaks run HOA.

A. The HOA was given a check for \$137,000 by River Oaks as the balance in the HOA account from current and past dues collections paid by the members, minus all expenses paid to date by the HOA. Roger is to set up an HOA account for the organization using the same name and tax ID used by the River Oaks run HOA. The HOA has been in existence since 1999 but is transitioned to property owner control as of 8 April 2004.

Q. Get a handle on what Committees and teams we need to form and who should be on them.

A. The two committees formed from volunteers were Architectural, Bill Wallace, chair with Ron Long and Fred Bragg as members, and the Grounds and Maintenance Committee, with George Lacombe, chair with Sue Wallace and Barry Swinehart as members. Other committees may be formed as needed.

Q. Get a handle on Disclosure documents requirements.

A. Disclosure Packets fees will be \$100. Packets will be prepared in binders for all resale's of property. The board is reviewing the requirements for a disclosure packet and will discuss further how best to get these packages produced at the next meeting.

Q. Get a handle on maintenance items like mowing, etc. We need to contact these folks and let them know to continue what they have been doing until we meet with them.

A. The board will begin discussions with the current contractors/vendors. The Grounds and Maintenance Committee will be tasked with this as well as looking into contract bids process to see if we can get a better deal. Until then, it is essential to keep services going.

Q. What to do about past Arch Review violations?

A. We will encourage property owners to correct any violations and will consult our legal firm when necessary.

Tasks to be done before the next meeting:

Roger: Open the new bank account for our new organization, Runaway Bay Homeowners Association, Inc.

Roger: Speak to River Oaks on resolution of remaining topics on the "Punch List".

Mike: Budget Preparation to determine our expenses for the 2004 fiscal year.

Mike: Review Request for Proposals (RFP's) with potential Auditing Firms to audit River Oaks books on the HOA.

Bill: Meet with the Architectural committee to finalize the revisions of the Architectural Guidelines/Standards in order to present them for vote by the HOA board at the May Picnic as well as allow a month for property owner reviews and comments prior to the Board meeting in May.

Bill: Speak with prospective Management Agent Company on submitting proposals.

Jim: Speak with companies that might be interested in preparing a study on the “Reserve Fund Monies” required by law and needed for our development for out year expenses.

Karen: Ask Jane Long the TAC secretary to write checks for ALAC and to submit them to that organization for the 2004 dues and training workshop.

All: Review procedures for conducting the meetings.

Submitted by,

Karen Bragg, Secretary