

## **Runaway Bay HOA Board Meeting Minutes for 5 Feb 2005**

Roger Winters, President of Runaway Bay HOA, Inc. called the February 5<sup>th</sup>, 2005 Meeting to order, welcomed property owners and introduced the Board Members and the Committees.

The first order of business was to open the floor to the Membership Open Forum where Property Owners can speak to issues or ask questions concerning the HOA and the community. Virginia Kurtz asked if anyone had information about what appeared to be bond fires or campfires being set on her property on Runaway Bay Road. Roger responded that we were unaware of that problem but the board would look into this. The board urges anyone who sees anything unusual to call the Property Owners Services Manager and report it.

After Roger closed the Open Forum he began to update those present on the following **news and information** that had occurred since the last meeting.

After several discussions between property owners and the board, and after much research, we have not found a better quality mailbox at a better price; the board therefore has decided to stay with the current required standard mailbox. The board further decided to only offer this mailbox at an "installed" price. The board has contracted with an agent who will order, store, and install the mailbox in the proper location per US postal regulations. See the enclosed point-paper.

Another issue that has not been completely resolved by the developer is that regarding the multi-slip docks. These docks are not part of the HOA responsibility but the HOA has been working as "a good neighbor" to help resolve several issues. The board was notified that the docks are currently being numbered with the property lot numbers that they belong to. The developer also stated that they are working to form a new multi-slip dock association comprised of the owners of these slips and that they are working to see how insurance and maintenance of the docks could be conducted.

Ownership of these multi-slip docks is also an issue. It was noted that one property owner has successfully worked with River Oaks to get a dock slip conveyance documented giving his lot exclusive right to the slip belonging to that lot. The goal is to have each slip clearly conveyed to the proper lot.

Next, Roger asked Karen Bragg to note the work done on obtaining Composite Maps of the community. Karen told the group that early on she had begun copying the individual plats in case the board needed the documentation for review. Upon talking with Acres of Va, the surveyors, she learned that small-scale maps could be obtained from the Campbell Co. Real Estate Office; these maps are useful for locating lots within the plats, identifying easements, and for tracing the changes in the phases throughout the years.

River Oaks had provided a very large-scale map showing all of lots, roads, offsite and onsite drainage fields and more, which is useful for the Grounds and Maintenance Committee but the smaller maps are better for the board and other committees.

Roger noted that the lock combinations were changed at the boat launch and at the boat storage area on December 1, 2004 and that we will likely continue the practice of changing them yearly since lots are being bought and sold. The aim is to give the community a safe place to store boats and trailers and to allow only property owner use of the boat launch ramp. We are also requiring property owners to file a registration form on vehicles to be stored at the storage lot before the combination is given out. You will not be given the storage lot combination unless we have your vehicle information.

A Property for Sale Page has been added to the HOA website as a courtesy to property owners or their Realtors. Covenants do not allow “for sale signs” in the community. Jim Slagle, Webmaster and Board member stated that he had 40 property listing on the site, and that 2 properties were currently under contract. This page has become the most visited page as far as viewing, the next most visited is the home page, followed by the community and lake pictures pages.

When selling property, the Virginia Property Owners’ Association Act requires that the seller provide an HOA Disclosure package to the purchaser prior to or at closing. The Property Owner Services Manager will prepare a lot specific package. The package cost is \$100. The HOA has 14 days after the request to prepare the package. Failure to provide this package could allow the purchaser to cancel a contract.

Roger reported that the board had received two applications for the Safety and Security Committee. Property owners are urged to consider submitting their application for this committee that will have a key role in educating us on better safety and security options within the community and on the lake. Applications should be sent to our Property Owner Services Manager at the address on the heading.

Bill Wallace, who is a member of our HOA board, also happens to be a member of the Leesville Lake Association (LVLA) board. He discussed two ongoing issues affecting the lake.

First, Bill explained that the LVLA has briefed the Boards of Supervisors in each the three bordering counties, Bedford, Campbell, and Pittsylvania, encouraging them to form a Tri-County Lake Administration Commission (TLAC) for Leesville Lake similar to the one at Smith Mountain which has been so successful. The benefits of such a commission would include bringing county funding to bear on resolving lake issues, as well as providing leverage with governmental activities and Appalachian Power. He called on all property owners to give support to this initiative by writing the Supervisor of the County in which their property resides.

Bill also spoke to the issue of the relicensing of Appalachian Power (AEP) by the Federal Energy Regulatory Commission (FERC). On January 26-27, FERC held scoping

meetings to allow interest groups to present the issues regarding the lakes. The LVL Board presented testimony and presented a letter documenting its concerns. Bill emphasized that it is important that we, as property-owners, make our individual concerns known, as well. A form letter is to be posted on the LVL Website (<http://www.leesvillelake.org>) for lake area property owners to give their individual support. All property owners are urged to direct comments to FERC by **March 1**. Comments of concern will help FERC understand that the lake communities expects the licensee to maintain a clean, safe, healthy lake environment during the tenure of the license. The license awarded in 2010 will be in effect for 50 years, so it is critical that our concerns about the current and future state of the lake be addressed now.

Fred Bragg noted that some folks do not realize that Runaway Bay and LVL are entirely two separate organizations. The two organizations have links to each website so that we can cooperate in such important concerns.

**Questions from Bill's presentation were:**

Tom Dempsey asked about how the County Supervisors received the presentations. Bill responded that they were receptive and that Campbell County is reviewing the issues and should have a response in 30 days. Campbell is more likely to be positive if Pittsylvania County responds favorably.

Steve Richter asked who owned AEP and is it a wholly owned company. Bill responded that it is a wholly owned subsidiary of American Electric Power.

John Banyai asked if the erosion around the lake increases the volume of water and how that impacts this additional volume on the the thickness of the dam . Jim Slagle responded that the height of the water behind the dam that determines the thickness of the dam, not the volume.

**The next item on the Agenda:**

**Roger stated that Property owner's interest in severing on the Board of Directors need to get their nominations forms back to the HOA not later than the February 11<sup>th</sup> deadline. These were mailed out several weeks ago.**

**Roger also urged everyone to return the Proxy Voting form. These forms will be mailed to every property owner shortly after February 11<sup>th</sup>, the deadline for the board nominations to be received. We need your votes so that a Quorum will be met in order to elect the new 2005 Board of Directors.**

For the Secretary Report, Karen Bragg noted that Property Owners are requested to update email and mail information and notify HOA of ownership changes as soon as they occur allowing any mailings either Postal or E-mail to be received in a timely manner.

Karen noted that the sign at Boat Launch had been vandalized, Roger asked her to get costs on a sign replacement. A new sign would cost \$550, repair would cost \$125

therefore, the board agreed to have the sign repaired, as it is important in notifying non-residents that the launch area is private. The sign was repaired with an additional backing for strength and is ready to be installed.

The Property Owner Services Manager, Julie Moore reported that as of 1/31/05 she had collected only 70% of the 2005 dues. However by this meeting date had collected 88%. If the additional 12% of the dues are not collected within 30 days of the deadline, interest and fees will be added to the dues. Liens may be placed on the properties until each delinquent property owner makes the complete payment. Roger noted that Julie would send late notices shortly.

Julie also reported that most of the calls she received dealt with issues concerning plot information, dock information, accessing the storage lock combination, and asking for information on how to obtain a disclosure package.

Mike Lobue, Vice President/Treasurer reported on the financial status of the Association. He first reported that the board hired a CPA firm to review the Association books while it was under the control of River Oaks. The purpose of the review was to determine if any expenses charged to the Association should have been developer expenses. The review identified numerous questionable invoices related to seeding, over seeding, utilities and general ledger items. Mike and a representative of the CPA firm met with a River Oaks representative to review the questionable invoices. The River Oaks representative agreed to split the questionable seeding and over seeding invoices 50/50 and reimburse the Association for the utility invoices. In December, the Association received a check in the amount of \$11,899.35 per this agreement. The CPA firm charged \$3500 for the financial review.

Mike also reported that when the property owners took over the Association, 11 lots had delinquent association dues for a total of \$6,951. Through a concerted effort by the board and the Property Owner Services Manager, the number of delinquent lots has been reduced to one. Approximately \$6200 in delinquent dues has been collected as a result of the effort.

Mike reported that the association is in excellent financial condition. The association uses the fund method of accounting, which means that the Operating Fund is kept separate from the Reserve Fund. Here are highlights of the Balance Sheet as of December 31, 2004 for the Operating Fund: total assets of \$85,789.68; total liabilities of \$10,527.03, including \$8,000 in escrowed completion bonds; opening equity balance of \$60,793.17; and net income of \$14,469.48. The Reserve fund had total assets of \$10,000.06 and total liabilities of \$75.79. Here are highlights of the Statement of Revenues, Expenses and Changes in Fund Balance as of December 31, 2004: Operating Fund total revenue of \$94,233.92; total expenses of \$79,764.44; and net income of \$14,469.48. Without the special items such as reimbursement from River Oaks and delinquent dues collections, the Operating Fund would have been closer to break even for the year. Reserve Fund total revenue for 2004 was \$9,924.27 and there were no Reserve Fund expenses

George Lacombe, chairman of the Grounds and Maintenance Committee spoke regarding several contracts being evaluated. The G & M committee is preparing to make recommendations to the board.

1. Four bids have been submitted for the Community Mowing
2. Four bids have been submitted for Landscaping
3. 1 bid has been submitted for General Maintenance recommended in the Mason and Mason study.

George also stated that the Fire cistern installation is close at hand. The contractor will be onsite on 2/10 to review the locations along with the contacts from the Forestry Dept, a representative from the Fire Dept and members of the HOA board and G&M committee. The Dry Hydrant is contracted for completion by July of 2005.

Bill Wallace, Chairman of the Architectural Committee Reported that to date there are 11 full time homes of the 25 home sites built to date. There are 10 homes under construction, of which River Oaks reviewed 5 homes before the transition and 5 have been reviewed and approved by the ARC since the HOA transition.

Roger closed the information section and opened the Board Only participation for board vote on the following resolutions, which were adopted unanimously. These resolutions will be mailed to the property owners and posted on the HOA web site:

1. Amendment 05-01 To Policy Resolution 04-05 Architectural and Community Standards Handbook
2. Financial Systems and Controls Resolution. Fiscal Resolution No. F05-01.

The final item was appointing an audit committee to review the 2004 books. Our Treasurer and our hired audit company performed a financial review of the River Oaks books in 2004. Property owners will do this year's review of our books. A new committee will be formed yearly for this review until the fifth year in which the audit will again be done by an outside hired firm. The volunteer audit committee members are Judy Winters, Steve Richter, and Fred Bragg. Roger asked that along with the actual audit, that the committee document the procedures that they use as guidelines for future audits.

Roger then adjourned the meeting.

**Next Regularly Scheduled Board Meeting:** Saturday, April 2, 2005 at 1:00 PM, Leesville United Methodist Church, There will be a Slide presentation of the past years accomplishments and remaining issues. **Most importantly, we all will be electing the 2005 Board of Directors.**

Submitted by  
Karen Bragg, Secretary  
Runaway Bay HOA, Inc.

## General Meeting Addendum –

The BOARD held a special emergency board meeting on February 12, 2005 at the home of Roger Winters in order for the Grounds and Maintenance Committee to present the results of the bids received for Community Mowing and for the Landscaping of the entrance wall. It was hoped this information would be presented at the 5 February General meeting but it could not be prepared in time. The board needed to award these contracts so that they can be in place for spring. George Lacombe, G & M chairman explained that the committee solicited four bids for mowing and after reviewing the data submitted, found that one bid was within the budget set and approved by the board. Each mowing segment to cost \$3,500. A minimum of 8 mowings will be done at a cost savings of thousands of dollars over the old contract's 8 standard mowings. Also, this contract allows for up to 4 additional mowings at additional costs as needed, in case we have a heavy growth period due to lots of rain. The cost of 10 mowings is now about the same as the standard 8 mowings was costing. This contractor, Eden has been in business for three years and presented references and information that led the committee to recommend approval. Eden was the only bidder of the four that responded to the committee that developed a Landscape plan for the wall, installation and maintenance of forty-two new plants at a cost of \$3,500. The board voted to approve both bids and contract work is to begin as of April 1 for the remainder of 2005.

1. Mowing Services Contract awarded to Eden Environments
2. Landscaping Services Contract awarded to Eden Environments.

George also reported that the contractor for the “fire cistern” project would begin work on Tuesday, February 15<sup>th</sup>. The cisterns will be located at the corner of Runaway Bay Road and Indigo Run and at the corner of Hidden Cove Road and Thomas Court. This project is the first under the Virginia State Forestry Department guidance and will be a model for future installations throughout Virginia. Runaway Bay HOA was able to obtain a grant from the Forestry Department to pay for the two 8,000 gallon in-ground water tanks, their installation, paving of two driveways to those tanks, etc. **at no cost to the HOA.** The HOA provided the common area to install the tanks. The tanks will provide the fire department a source of water to fight fires and it will serve Runaway Bay and the surrounding communities.

To aid in the installation of the cisterns, the Leesville United Methodist Men's Wood Ministry Group was asked to cut down four trees on the cistern installation site. The board also agreed to permit this group to remove other dead trees on the community common areas to aid in clearing unsightly wood clutter in our development. The firewood is donated to folks in need in the Leesville area.