

Runaway Bay Homeowner's Association, Inc.

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March 29, 2014

General Election Meeting Minutes

Mike Lobue, President, welcomed all in attendance and introduced the current HOA Board of Directors: Carmen Perri, Vice President; Darrell Sheets, Treasurer; Karen Bragg, Secretary; Richard Jenet, Director; Herbert Miller, Director; and Carol Skeen, Director. A quorum was present.

Mike announced that beginning with today's elections, Directors would begin serving three-year staggered terms. Mike stated that Marty Leidemer, who was on the ballot mailed to property owners, withdrew his name due to personal reasons and that Sue McGinnis had asked to have her name placed on the ballot. He then asked for nominations from the floor and there were none. No one asked to change a ballot. Julia Moore, our Property Manager and Jan Parry, a property owner, then went to another room to count the ballots.

Mike asked for approval of the minutes of the December 14, 2013 minutes, which were posted on the website and placed on the tables at the meeting. Carmen Perri made the motion to approve, second by Herbert Miller, approved by all board members.

Open session

In response to a question regarding removal of trees that have been damaged by pine bark beetles, Mike stated that a logging/landscaping company will provide a proposal to remove damaged trees near the Pavilion Pond and to landscape the area where the trees are removed.

A resident noted that a shingle was loose on the roof of the Pavilion; Mike will have that looked into.

It was announced that the next Leesville Lake Association Boat Safety class is scheduled for April 5th. All boat operators 45 years and younger must have a certificate and everyone must have the certificate to operate a personal watercraft.

Business session

Business session began with Officer and Committee Reports:

President's report—Mike Lobue recapped Board and Committee accomplishments during the past year, which included:

- (1) repairing/lining the pavilion pond, installation of a new pond fountain and clearing some of the underbrush near the pond. More underbrush will be cleared so that the pond will be visible from the parking lot.
- (2) taking control of and revamping the HOA website: runawaybayhoa.org
- (3) revision of the Architectural Standards Handbook by the Architectural Review Committee. The Committee was thanked and complimented for its work and Joe Rutledge was also thanked for his role in revising the document.
- (4) moving forward on collecting delinquent dues from property owners. The county will foreclose on one property owner and the HOA will proceed with foreclosure proceedings on two property owners. All three foreclosures should be completed by year-end.

The Secretary Report was given by Karen Bragg who as usual thanked those attending and reminded them that it is important that any personal information changes should be given to Julia Moore our Property Manager as soon as possible so that an individual could be notified of any problems and would receive any organization news that he/she might need. Karen also noted that she had signup sheets for attendance and for help with the annual picnic, which will be held on Saturday, May 24th.

Darrell Sheets, Treasurer, gave the financial report, which shows the association financially sound. Darrell reported \$126,453 in YTD revenue and \$24,782 in YTD expenses.

* The transfer of funds from the Operating Fund to the Reserve Fund will occur in December. The amount transferred will be the difference between revenue and expenses and will ensure a balanced budget. There is currently \$217,485 in the Reserve Fund.

*Darrell asked for approval of the Treasurer's Report. Richard Jenet made the motion, Carol Skeen made the second and all approved the report.

Mike reported that a guidance document on surplus cash and delinquent accounts was written for the Property Manager and Treasurer. The guidance includes the following:

- show on balance sheet cash available for unanticipated large expenses
- show debt that is more than three years past due as Bad Debt on the Profit & Loss statement and as an Allowance for Doubtful Accounts on the balance sheet.
- wait until December to transfer funds to the Reserve Fund. Amount transferred will be difference between Total Actual Revenue and Expenses.
- ensure that judgments are filed on delinquent property owners after three years of lien filings. Initiate foreclosure proceedings after judgments are recorded.
- continue to pursue all legal options for collecting debt.

A motion to approve the guidance document was made by Carmen Perri and seconded by Darrell Sheets. The motion was unanimously approved.

Architectural Review Committee Chair, Carmen Perri reported that currently there are:

- >Two new homes under construction.
- >Three homes have improvements in process.

He noted that this shows that the residents are happy with this development are willing to invest more in it.

>There are no new requests at this time, but there has been one lot transfer on Peninsula Pointe.

Safety and Security Committee information was also reported by Carmen Perri, who reminded us that:

- ❑ It is the time of year to watch for bear roaming in the community. We should be cautious when walking and try not to walk between mom and cubs.
- ❑ Carmen observed that the deer have been eating plants that they ordinarily do not eat because there were few acorns for them to eat this winter.
- ❑ He gave a warning that the Leesville Lake Marina (previously Pit Stop Marina) was reopened and the owners are planning to rent boats & watercraft. We should be cautious about more watercraft and more inexperienced vessel operators out on the lake.
- ❑ Carmen also reported discussing cutting some trees in the area with a logging company to make firebreaks for safety. There are 103 acres in 10 parcels in the Runaway Bay common areas. These are the areas where we can to remove underbrush.
- ❑ The logging company is preparing a proposal for this work. Removal includes trees damage by pine bark beetles around the Pavilion.

As in past years, a Deer Management Program was submitted to continue for two more years. Archery hunting on private property must have approval of property owner. The S&S Chair approves applications. Each hunter must display an approval form/placard in the roadside of his vehicle.

Richard Jenet made the motion to approve this program for two more years, Herb Miller made the second and the board approved with one Director abstaining.

Grounds & Maintenance Chair, George Lacombe reported

- ❖ The Pavilion power washing cleaning/staining will start on April 14th.
- ❖ The Clear Pointe pond was stocked with largemouth bass and catfish to balance the redear sunfish and blue gill that were stocked last fall.
- ❖ The dock at the boat launch had to be cleaned due to the overwhelming amount of goose droppings. Dori Poles will be installed on the dock in an attempt to keep geese away from the dock.
- ❖ A contract from Roach Tree Service to remove underbrush at Pavilion Pond was offered for approval. Removal of the underbrush will help make the pond and fountain visible from the parking lot. The total cost of this work is \$2,250.

Richard Jenet made the motion to approve the contract, Herbert Miller made the second and all board members voted to approve.

A major expense for the association is the Mowing Contract, which is negotiated each year. The low bid (of three) was \$28,352, which was under the board's budgeted amount. George recommended that the board approve that bid because of the price and the fact that the vendor committed to complete each mow within a week timeframe. There would be eleven mows during the year. Richard Jenet asked that some additional seeding and repair of bare sections be considered with the savings (budget vs actual bid).

George would look into options for repairing bare sections. The motion to approve the contract was made by Richard Jenet, Herbert Miller offered the second and all board members approved.

Carmen suggested to members to talk to the new contractor about individual mowing if needed since the previous contractor may not be willing bring equipment here just to mow for individuals.

The community entrance wall sign is due for a cleaning. The first work was done two years ago and a second was suggested to make it look better as the first cleaning brought streaks and did not clear all of the dirt accumulation. The cost to restore the sign was quoted at \$725. Carmen Perri made the motion to approve the contract, Richard Jenet made the second and all approved the contract.

Mike told the members that it is again time to review and revise the Reserve Study. Virginia law requires the study to be updated as least every five years. Mason and Mason did the original study in 2004 and updated it in 2009. Instead of hiring a contractor to conduct the review, he and George Lacombe are willing to do the work. Mike asked for a motion to appoint George Lacombe and Mike Lobue to an Ad Hoc Reserve Fund Committee whose purpose is to update the reserve fund study by the fall board meeting. Carol Skeen made the motion to appoint the committee, Carmen Perri made the second and all board members approved.

Mike mentioned again that there are two delinquent accounts which have had judgments filed and foreclosures will be started. Another property owner will be foreclosed on by Campbell County on June 21. HOA Board will have to decide how it will participate in the county foreclosure.

At this time Mike reminded the members that he, Hebert Miller, and Karen Bragg are current members leaving the board. Carmen Perri read a Resolution of Appreciation declaring thanks to Mike; similar resolutions were given for Herbert and Karen and gifts were given to each of these people who have served for many years.

Election results for 2014-2016 by number of term--*** represent 3 years, ** represent 2 year terms, and * represents 1 year terms:

Jenet***
Long ***
Richter***
Sheets **
Skeen**
Perri *
Winters*

Mike asked for any additional items of business. Hearing none he asked for a motion to adjourn. Carmen Perri made the motion, Herb Miller made the second and all voted to approve the motion. The meeting was adjourned.

Submitted by,
Karen Bragg, Outgoing Secretary