

The 2016 Annual Meeting of the Blue Mountain Property Owners' Association (BMPOA) was called to order in the lodge at 1:30 PM on August 21, 2016 by President Jim McManaway.

Board Members Present: Nynette Rourke, 1<sup>st</sup> Vice President; Jonathan Morrison, 2d Vice President; Mike Veasey, Treasurer; Jack Davis, Tim Winfield, Members at Large.

Board Members Excused: Carl Herz, Secretary; Rob Linnenkohl and Jim Critcher, Members at Large.

Forty-six persons were in attendance.

Minutes were recorded by Jackie Veasey.

The President opened the meeting with the disposition of last year's minutes being first order of business. A motion was made to dispense with the reading of the minutes and to approve them as written. There being no objection, the motion was unanimously adopted.

The President then directed the Treasurer to render the financial reports which he did.

1. A copy of the Blue Mountain Sanitary District Status of Funds is attached at enclosure 1. The association had \$76750.71 in the bank on 8 August as well as a certificate of deposit for \$62735.41 which equaled a total of available money of \$139486.12. The treasurer noted that if anyone had a question about any expenditure, he had the books with him and would be glad to answer any question. There were none. He also mentioned that this fund is audited every year and that the audit was passed successfully again this year.
2. A copy of the Blue Mountain Property Owners Association Status of Funds is at enclosure 2. The treasurer noted significant increased income from rentals of the lodge for weddings. So far this year, \$10730 has been raised by wedding rentals but \$4500 is being held in abeyance until the wedding is actually conducted (so that we don't spend money that is subject to refund).

The roads chairman (Jim McManaway) then called upon the roads coordinator (Pete Plourd) to update the association on the condition of the roads.

1. The roads were not maintained as robustly as in years past because of excessive snow removal costs. Only essential maintenance was performed because of the Treasurer's concern about a potential cash flow problem. He will continue to fix potholes as needed but ditches need repairs soon to get ready for fall and winter. Rocky Spring and Chipmunk need a lot of work, both grading and new gravel. Other than that, let board members know or let Pete, himself know directly via the Facebook page, of any major road problem you feel needs to be addressed.
2. Harry Davis then asked if Pete Plourd was going to retire and was the county going to take over the roads as rumored. The answer was that the President would address these issues later in the meeting.

The Recreation Chairman, Jonathan Morrison, then gave his report.

1. He spoke of the need to develop a five-year maintenance plan for the lodge now that it is being used so regularly for weddings. Right now we are triaging the various needs but a

more disciplined approach is necessary. This year we treated a moisture/mildew problem in the storage spaces and restrooms. We also repainted parts of the lodge, waterproofed parts, and installed a dehumidifier along with other routine maintenance.

2. Jonathan then asked Missy McManaway to report on the lodge rentals. She reported that 19 weddings were conducted/scheduled for 2016 and 11 weddings have already been booked for 2017. She also thanked the many supporting persons/organizations who helped make the lodge rental program a success to include: Team Clean; Axis Electric; Austin Chilcote; and Diamond Maldonado. She closed by saying that 2017 is booking fast!
3. Donna Gray asked from the floor whether only weddings were scheduled or have other type events been scheduled. Missy responded that, so far, only weddings have been scheduled.
4. Pete Plourd then spoke from the floor, pointed out many woodpecker holes in the outside railings and asked for ideas on how to control them. There was then a suggestion that these were carpenter bees and not woodpeckers. No ideas were put forth as to the best way to control these pests, whether they be woodpeckers or bees.

Jack Davis then gave his reports on the Firewise Program, Covenants Enforcement Committee, and Architectural Review Committee. His reports are attached as enclosures 3.

1. A question was asked during the firewise presentation concerning the use of cisterns as emergency water sources in case of fire. This was the plan many years ago but the process is too time consuming to be of real value in fighting a fire.
2. No questions were asked during the covenants enforcement and architectural review presentations although there was some discussion at various times concerning the illegal and disruptive use of fireworks at several places on the mountain. Much of the discussion centered around whether the violators were actually in the confines of the Blue Mountain Property Owners Association and that this is rightly a police enforcement matter and not a homeowners' association enforcement matter.

At the request of the President, Jack Davis then rendered a report of the Nominating Committee and conducted the election of Board and Nominating Committee members. That report is at enclosure 4.

The President then rendered his reports.

1. The five-year plan for the lodge exists and has been approved by the board. This caused him to believe that a five-year plan for the subdivision is also in order. We will design that. If you have any ideas, please pass them on.
2. The state of Virginia is forever changing the rules governing the dam at Deer Lake. We had always believed it to be a "low impact" dam but the state did an inundation study and rated it a moderate impact dam. We will appeal that decision because we question the accuracy of the rainfall estimates.
3. We are redoing the overflow system at the lake to comply with new regulations. This may cost 50 -60K if we can maintain our low impact dam status. We will pay for this out of the CD.
4. As for Pete Plourd's retirement, we may contract with anyone for roads and dam maintenance but right now the county seems the best option. We considered alternatives but the county has the equipment and the physical presence (they are maintaining Shenandoah Farms roads at a cheaper rate than when POSF maintained them.) They also

did work on Tomahawk for considerably less than we could have done it. So, we have met with the county and intend to finalize a contract with them. They also have the ability to do snow removal and have promised to preposition trucks when a big storm is forecast. Since the county plows to specific standards, and gravel in conjunction with plowing, we will no longer need to preposition and keep filled snow barrels. We haven't finalized anything and will listen to better ideas. So if you have them, let us know them. The advantages of using the county is that they are here forever. They are also cheaper probably. The cons are that they use big equipment and may not be as responsive to pot holes.

- a. A question from Mathew Branco about the barrels disappearing. He is concerned about ice. Jim McManaway promised that we wouldn't get rid of the barrels until we understood how the county treated roads and that it is safe to remove them.
- b. Another member raised the issue of how long the contract would be, escalation of cost clauses, willingness to work with us, etc. Jim McManaway countered that based on the county performance in Shenandoah Farms he doesn't think any of these will be an issue.
- c. Bill Jahn raised the question of the county required engineering study. Does this mean that our roads must meet county standards? Will the culverts be replaced? Jim responded that it all depends on how much money we are willing to throw at the issue. Jonathan Morrison then added that the study will be a tool for the future in our efforts to stop erosion. Jim concluded that we would do the study in stages as we could afford it.
- d. Jim also concluded with the promise that this year's snow removal will be the same as always and we do not envision turning this function over to the county for this upcoming winter.

The President then asked the Treasurer to present the proposal for a sanitary fee rate increase for next year. That proposal and reasons therefore are at enclosure 5. After a thorough explanation of the points on the enclosure, a vote was taken and all but one member (by proxy) voted to approve giving the board the latitude to increase the fee by up to .05/\$100 of assessed value and up to \$5/lot. The exact amount will be determined when clarity is achieved on dam costs, road costs, and other required expenses that traditionally increase every year (insurance, audit, etc).

The President then took up the changes to the by-laws as disseminated in the newsletter. These changes are at enclosure 6. There was not much discussion and the vote was unanimous to approve the changes except for one dissent (by proxy).

The President then recognized departing board members Jack Davis, Tim Winfield, and Rob Linnenkohl and thanked them for their service.

The election of officers was the last item of business. All newly elected officers will begin their duties on September 1, 2016. The board for next year, as duly elected by the members, is:

James McManaway-President

Nynette Rourke-1<sup>st</sup> Vice President

Jonathan Morrison-2d vice President

Carl Herz-Secretary

Mike Veasey-Treasurer

Jim Critcher-Member at Large

Donna Gray-Member at Large

Jim Cook-Member at Large

David Cook-Member at Large

After the election, Nynette Rourke announced that as a result of renting the lodge we had money to sponsor community social events and asked if anyone was interested in organizing something. There was no interest and the issue was closed.

A question from the floor about the state paving of Route 638 was raised and the President said that 1.1 miles of it were set to be started in September and finished in October. The money is available for this stretch of road. Hopefully, the other half of the road will be finished next year.

There was then open discussion on the problem of fireworks and firearms in the subdivision. It was concluded that BMPOA has no rules governing fireworks and that the discharge of firearms is a law enforcement issue. It is best to call the fire marshall or the sheriff when there is this kind of issue.

There being no further discussion the meeting was adjourned at 1430 hours.

<b>REVENUE</b>	<b>REVENUE COLLECTED</b>
Carryover from 08/31/15	57739.52
Owner Gravel Payment	1973.36
Newsletter Income	240
Road Impact Fees	1425
Sanitary District Fees	123290.04
Refunds/Reimbursements	541.72
POSF Sharing	
Donation/Grant	
<b>Total Revenue</b>	<b>185209.64</b>
 <b>Revenue this Year Less Carryover</b>	 127470.12
 <b>Available for Apportionment</b>	 185209.64
<b>EXPENSES</b>	
COUNTY COLLECTION FEE	6932.22
 <b>ADMINISTRATIVE</b>	 24077.2532
Audit	3000
Website Maintenance	
Registration	25
Newsletter	387.26
Insurance	9400
Legal	
Electric	1334.99
Wireless	
Supplies	230.91
Postage	178.23
Service Charges	22
Printing	
 <b>MAINTENANCE</b>	 16668.8676
Lake and Dam	15379.31
Lodge	12259.89
Mowing	2300
Common Area	

<b>ROADS</b>	<b>109273.6876</b>	39734.79	69538.8976
Gravel		28394.32	
Gravel for Members			
Maintenance		11340.47	
Misc			
 <b>SNOW EXPENSES</b>	 <b>18520.964</b>	 24355	 -5834.036
Filling Sand Barrels		470	
Plowing		23885	
Sand for Barrels			
Spreading Gravel			
 Snow Removal			
 <b>SECURITY</b>	 <b>16668.8676</b>	 11832.87	 4835.9976
Lake Security		10740	
Security Camera		1092.87	
 <b>TOTAL EXPENSES</b>	 <b>185209.64</b>	 120440.25	 64769.39
<b>CD Redemption/Cash Reserve</b>			11981.32
<b>CHECK BOOK BALANCE</b>			76750.71
 CD as of maturity on 5/12/16		62735.41	
 <b>TOTAL SAVINGS</b>		62735.41	
<b>TOTAL FUNDS</b>			139486.12

<b>Balance Start 1 Sep 15</b>	4089.63
Revenue In Summary thru 8/6	10961.49
Expenses thru 8/7	5887.11
 Balance as of 8/6/16	 9164.01
Abeyance pending wedding date	4500
<b>Available to Spend</b>	<b>4664.01</b>

200	26-Aug	Ektor
200	2-Sep	Brader
200	9-Sep	Kelly
200	16-Sep	Goldsmith
200	23-Sep	Trumpower
650	30-Sep	Grizzle
200	15-Oct	Cone
200	21-Oct	Smith
<b>200</b>	28-Oct	Winderweedle
<b>200</b>	29-Apr	Mills Peterson
200	5/5/2017	Fischer
200	12-May	Collington
200	19-May	Jenkins
200	25-May	Ryder
200	2-Jun	Witherspoon
0	9-Jun	Tyree
200	17-Sep	Kelly Moore
200	6-Oct	Kerns
<b>650</b>	<b>?</b>	<b>Jessica and Daniel</b>
 <b>4500</b>	 <b>Abeyance</b>	

We expect to receive a state grant in 2016 for approximately \$5,000 to fund the chipping of deadfall piled up by our members and reported to the Firewise Coordinator.

Funds are contingent upon the efforts of members to pile up and report their hours of efforts to the coordinator. This week I learned that some chipping likely will begin the first week in October this year so getting started on this before Oct would be wise.

Jim Cook, a current Battalion Fire Chief in Loudon County moved here a year ago and has agreed to become a member of our Firewise board as well as our Covenants Enforcement Committee. Jim is working on an additional grant to improve fire safety in the subdivision and I have asked him to say a few words about that idea today.

#### **Covenants Enforcement Committee Report:**

Last year I reported to you the results of a survey of all 340 improved lots and that several dozen notices of violation had been mailed to members. About a half dozen were what I considered to be serious and continuing violations.

They were pursued on a priority basis and received registered, receipt requested letters that they would be turned over to Warren County if not resolved.

A couple of these were finally resolved to our satisfaction.

1. To get one of our members to stop filling up a highly-visible rear deck with garbage took over a year requiring over 30 emails, phone calls and registered letters from BMPOA and Warren County , as well as multiple visits by Warren County officials.,
2. To get a cabin torn down that had been abandoned and had become a blight on the community took 10 years of covenants violations, registered letters, and unsuccessful county efforts.

Unfortunately, there are still a few cases where members have made minimal or no changes in response to our repeated efforts. For obvious reasons these cases cannot be ignored. If the County can't do anything about serious violation of our covenants, and I will be meeting them again tomorrow morning, we may have to take a few members to court. But know this; I will not be asking BMPOA to take anyone to court unless it is clear we will prevail including that the member will end up having to pay all court costs. That is our game plan for the coming year and I trust you will support it.

Last year I reported to you that the committee needs your eyes and ears to help monitor developments at all 340 improved lots and 284 undeveloped lots on 57 roads spanning 15+ miles. I hope you will continue to support BMPOA's efforts and call or email me or any board member when you see a problem. Your help will be kept private.

### **Architectural Review Committee**

As in '15, contractors in '16 are continuing building a few new homes at a rate of 2-3 a year. And almost all the news is good.

Builders are now coming to us to get prior approval from the Architectural Review Committee thanks in part to Warren County agreeing to remind permit seekers that we require pre-approval of construction. The county also has agreed to provide BMPOA the name and phone number of the builder when a construction permit is given.

Other good news is that members increasingly are requesting prior-approval for sheds, animal control fences, major changes in exterior color schemes including changes in roofing type, etc.

You can help us ensure that all external construction is prior approved by calling or emailing me, or any board member, if you see or hear evidence of new exterior construction going on. Your help will be kept private. (See contact information slip on tables.)

**Chickens:** Warren County is in the process of reviewing its ordinance prohibiting "barnyard animals" in R-1 subdivisions to allow chickens (but not roosters) on a non-commercial, small scale, based on acreage. If the county approves this change it will require a permit to be sure that health and other issues are met.

Not unlike with sheds, BMPOA will require pre-approval that chicken coops meet some minimal requirements as to size, location, and appearance. It is the opinion of the Executive Board that the county permits, fees, restrictions and hurdles will be sufficient to prevent any serious concerns. If a member has any concerns, report them to Charlie Morrison, Warren County Zoning and Planning Dept at 636-3354 Ex5.

### **Nomination Committee**

Your Executive Board and Nominating Committee have unanimously, and for many years, spoken to the need to bring new members onto this Board. This year, happily, and for the first time in a decade or more, members have properly nominated

not one, but five fellow members to the Executive board.

*(Two of these five nominees, Pete Plourd and Cathy Berger, both of whom have previously served multiple terms as board members were unable to serve again beginning Sept 1.)*

To facilitate our belief that we should retain institutional knowledge yet increase turnover on the board, three current board members who have also served multiple terms have decided to step aside. They are: Tim Winfield, Rob Linnenkohl and Jack Davis.

A list of all remaining candidates who have agreed to stand for election, or re-election, has been mailed to you. I would like to introduce the new candidates to you now. They are: in the order of their nomination: Donna Gray, Jim Cook, and David Cook.

The number of vacancies on the board matches the number of nominees available to serve beginning Sept 1. So I will now call for a voice vote of affirmation to: elect the six incumbents and three nominees previously recommended by the Nominating Committee to the Executive Board and three candidates for the nominating Committee.

All in favor signify by a show of hands:      Count: All

Opposed:	None	The count
of Absentee Ballots on Proxies is: In favor: 24		
Opposed: 1		

The AYEs have it.

Your Newly elected Board of Directors and Nominating Committee term begins on Sept 1, 2016. Thank you for your interest, participation and support of your Association.