

MERIFIELD ACRES LANDOWNERS' ASSOCIATION
32nd Annual Meeting Minutes
September 28, 2008

Association President Ben Jackson called the 32nd Annual Meeting of the Merifield Acres Landowners' Association (MALA) to order at 1:10 p.m. Approximately 50 property owners were present.

The minutes of the 31st Annual Meeting held on September 23, 2007, had been previously distributed to the membership via posting on the MALA Website (www.kerrlake.com/mala). No comments or corrections having been received, and in the absence of objection, the minutes were approved as written.

Treasurer's Report: The Profit and Loss Budget vs. Actual (January through August 2008) was distributed. The Treasurer noted that the \$31,181.00 budgeted for contract paving in 2008 will be carried over to 2009.

Old Business:

President's Comments. President Jackson announced that there were sign-up sheets circulating to volunteer for committees and asked if everyone had turned in their ballots. He informed the membership of changes made by the Virginia Legislature to the Virginia Property Owners' Association Act, revised July 1, 2008, that have established the Office of the Common Interest Community Ombudsman, to which property owners may appeal unfavorable decisions of their architectural committee and association board and which may levy penalties for abusing property owners.

Open Forum:

Architectural Committee Chair Kevin Hensley challenged the MALA Board of Directors/Nominating Committee's right to nominate a second candidate for the one vacancy on the Architectural Committee. MALA President Jackson countered that self appointment is not an election. Vice President and Nominating Committee Chair Jerry Billingsley rose and stated that the MALA Board of Directors reviewed and approved the slate of Board and Architectural Committee candidates on August 14.

Architectural Committee Report:

Since the 2007 Annual Meeting, the Architectural Committee has approved six new houses, five additions, three detached garages, one shed, deck, pergola each, with one disapproval. The Chair reminded property owners that political signs are not permitted, that is, within Fielding, Holly Park, and Merifield Acres, Inc.

Standing Committee Reports:

Appearance and Beautification. No report.

Aviation. Possibly because word has spread of the well-maintained facility, aircraft activity has increased on the runway. Several resident and transient aircraft have been in and out.

Common Areas and Facilities. President Jackson, Vice President Billingsley, and Chair Clint Dalton met with Curtis Pope, Michael Womack, and Michael Dobb, US Army Corps, at the John H. Kerr Reservoir on September 9, 2008, to discuss the Merifield Acres entrance. The only easement that we have at the present is a 40-foot road easement. This easement could be increased by 10 feet under Corps guidelines for a Department of Transportation easement of 50 feet. The additional 10 feet could be all on one side of the road or split to both sides. Additional land would cost MALA a survey and a process fee. And fair market price for land that is less than 1000 square feet. Options at present are to leave the entrance as is, put columns around the lights, or buy the 10 feet. An Association member suggested that the membership entertain a motion that the Board purchase the land up to the \$5,000 the Bylaws allow without further permission from the membership, a motion that was seconded and passed unanimously.

Community Events. Chair reported via e-mail that the annual Halloween party will be held Sunday, October 26, 2008, in Oak Park at 1 p. m.

Deer Control. The Virginia Game Commission has brought two concerns to the attention of the MALA Deer Control Committee, one concerning deer and the other nuisance animals. Statewide, whether hunting is allowed or not, from September 1, 2008, until January 3, 2009, feeding deer is illegal. Legal are usual vegetable gardens and food plots planted for deer. Illegal is loose food or minerals specifically for deer. If specifically for birds, birdfeeders are acceptable. Nuisance animals are squirrels, raccoons, foxes, and so forth. Obtained from the Game Commission is a license to trap these animals and permits that spell out specific ways to dispose of trapped animals. Relocating trapped animals is illegal. The local Conservation Police Officer is monitoring activities in Merifield Acres and has already issued warnings for violations.

The controlled deer reduction in Merifield Acres appears to be making a dent in the resident deer population. During 2007, we harvested fifteen deer, of which twelve were does. This year's deer hunt began August 12. As of September 20, 2008, we have taken five, all of which have been does. As of the end of this hunting season, January 3, 2009, and not because of any incident, Felix Anderson is resigning as Deer Control Committee Chair. "I have enjoyed my six years heading this endeavor," Felix states. "It is time for new eyes to look at what we are trying to accomplish and hopefully improve our performance. If anyone has any questions, please feel free to call."

Finance. MALA reserves are currently held in two forms. The first is a four-month Bank of America CD in the amount of \$62,407.00 (8/15/08) at an Annual Percentage Yield of 2.24%. This matures on December 15, 2008, and has an accrued interest of approximately \$175.00 at this point.

The second is in mutual funds. The total mutual fund assets of \$76,238.00 (9/20/08) are invested in Fidelity Contrafund (22%), Fidelity Puritan Fund (52%), and Fidelity Spartan US Equity Index Fund

(24%). These investments have followed market trends and are down 13.4% from 9/30/07 but are up 34.4% over the last four years (period of immediate record availability). The investment objectives/strategy of these funds are:

- Fidelity Contrafund: Objective--Capital Appreciation. Invested primarily in either “growth” or “value” of domestic and foreign companies;
- Fidelity Puritan Fund: Objective--Income and Capital Growth. Approximately 60% of assets in stocks and the remainder in bonds; and
- Fidelity Spartan Fund: Objective--Results that correspond to the total return performance of common stocks publicly traded in the US. Normally invests at least 80% of assets in common stocks included in the S&P 500.

Thus MALA’s reserves total approximately \$138,820.00.

Tasks for the Finance Committee for the coming year include developing a current reserve study report, increasing returns on CDs through timing the maturity consistent with Association needs, and considering timing in addition to risk and yield in equity investments.

To an Association member’s question why a reserve sum in such an amount was required, the Roads and Maintenance Chair responded that as the cost of maintaining and upgrading Merifield Acres’ 12.5 miles of roads increases, the reserve sum will begin to decrease.

Governance. The Fall of 2007, the Committee helped the Vice President and President with publishing and finalizing the Amended Realtors’ Sign Rules and Regulations, a responsibility transferred from MALA to the Architectural Committee. (According to the Merifield Acres, Inc., covenants, the covenants that govern most of Merifield Acres, lot issues are the responsibility of the Architectural Committee; the collection of assessments and their expenditure on roads, common areas and facilities, privacy and general safety, the responsibility of the MALA Board of Directors.)

Since January of 2008 and to date, the Governance Committee has met eight times, rotating among the four Committee members the chair and meeting place. The President participated in two of these meetings. The Architectural Committee Chair was encouraged to attend a particular meeting and declined to do so. The Committee is focused on thinking through a just and fiscally viable relationship among the successive ten developments collectively known as Merifield Acres, all of which have covenants. The possible revision of Bylaws I: 2. Association Membership, the Committee decided to postpone until 2008-2009, along with additional possible revisions to the MALA Bylaws. During 2008 to date, and with input from the President, Committee Chairs and other Board members, past Treasurers, the Maintenance Manager, and individual Association members, the Governance Committee has thought through and prepared the following documents:

- Thoughts on MALA and Architectural Committee Authority and Outline of Rules and Authority (authority for MALA rules and regulations and Architectural Committee guidelines must be granted by either federal and state law, including the Virginia Property Owners’ Association Act [VPOAA], or Mecklenburg County statutes, the Merifield Acres, Inc., covenants, The Merifield Acres Landowners’ Association Charter, court orders, or other pertinent documents,

such as transfer of authority for Fielding and Holly Park in 1983 from Mary Frances Lewis to MALA);

- cover letter notifying the membership of the Association Annual Meeting, Sunday, September 28, 2008;
- MALA Assessment Collection Rules and Regulations (Board-approved 8/12/2008);
- Dangerous Trees Rules and Regulations with first and second letters of notification; and
- letter to area broker owners clarifying Merifield Acres mandatory and non-mandatory units, to which copies of the Letter of Information for the MALA Disclosure Packet and the Letter of Information for the Merifield Acres Information Packet will be attached.

Still in progress:

- VPOAA Disclosure Packet Statement 3 Re. Charges, Deposits, and Fees (draft 7/30/2008);
- Working Relationship Between the MALA Board of Directors and the Architectural Committee (draft 3/18/2008); and
- In response to the State legislature's creating the Office of the Common Interest Community Ombudsman, a revised Bylaws III: e. Arbitration of Disputes and an Architectural Committee and MALA Internal Complaint Process (drafts 7/15/2008), documents that warrant considerable serious thought and widespread membership participation prior to Board approval and recommendation to the membership at the 2009 Association Annual Meeting.

Political and Environmental. At the April 8, 2008, Board Meeting, John Feild spoke to the Board about the water flow management plan for the Roanoke River Basin, known as HL8 as proposed by the Corps of Engineers. Two days later, Raleigh, Cary, and Durham applied to the Corps for 50,000 acre feet of water from Kerr Lake. The Corps of Engineers has said that no action is to be taken on their request to draw water from Kerr Reservoir for a period of three years. A resolution submitted to the MALA President in support of HL8 will be voted on in the Board Meeting following today's Annual Meeting. The Virginia State Water Control Board Meeting is scheduled for October 16, 2008, at 9:30 a.m. at the General Assembly Building on Capitol Square in Richmond, Virginia.

Roads and Maintenance. After getting the roads in very good shape in 2007 and with a very mild winter that did not cause deterioration problems, the Committee decided not to repave any roads in 2008. Instead, we will bank our budget and combine it with the 2009 budget for next year's paving. A list has been compiled for next year's paving. If you know of any bad spots, feel free to call the Roads and Maintenance Chair with the location and description and the Committee will check it out.

We had several cases of vandalism, most of which seemed to be acts by children. We continue to pick up trash either thrown or blown out of open vehicles. MALA needs lot owners to take care of any dead or damaged trees that could fall into road right-of-ways.

There have been numerous complaints of people driving recklessly on MALA roadways. Mecklenburg Police have been notified to patrol the roads within Merifield Acres.

Security. Speeders, golf carts, and 4-wheelers on the roads in Merifield Acres are still a problem, the Chair reported.

Welcoming. Six new full-time families have been greeted since the 2007 Annual Meeting. Please leave surplus plant pots and saucers at Chair Martha Day's garage door. More important, should any neighbor become aware of new full-time residents, please notify her, including the newcomers' telephone number, if possible.

Communication:

Merifield Acres 2009 Directory. November to mid-December and with the able help of the Database Assistant Treasurer and a Co-editor who wishes to remain anonymous, the 2009 Merifield Acres Directory will be prepared, printed, and mailed to all Merifield Acres homeowners. For all improved properties, the Directory will include name(s) and local address, including PO Box if desired, telephone number, Unit and lot number. Standing Committee Chairs will be asked to update their respective section at the front of the Directory. Any homeowner aware of an error or omission will be asked in the October Newsletter to bring the necessary correction to the attention of Co-editor Martha Day.

MALA Email. Outgoing Email Manager Sharon Sinkiewicz on Lakepoint is in the process of turning over the responsibility for MALA's email to incoming Email Manager Joanne Gilmore on Highpoint. Hearty thank yous to both Sharon and Joanne.

Merifield Acres Newsletter. The Merifield Acres Newsletter, Vol. XIV, No. 2, will be issued on or around October 18. Anyone wishing an item included should give it to Editor Martha Day no later than Wednesday, October 1.

MALA Website. In changing servers, the ISP recently lost the MALA Website. MALA Webmaster Linda Carter has re-uploaded the files. As of Friday, September 26, the Website is again whole. It might be necessary to press Ctrl, then click on the Refresh button. Thank you to Linda, one more time.

New Business:

The referendum that above-ground swimming pools are not consistent with the character of Merifield Acres passed by a wide margin. A wide majority also voted in favor of the MALA Fiscal Year 2009 Budget. Elected to three-year terms on the Board of Directors were property owners in good standing Phillip Beck, John Gilmore, FJ Hale, Jerre Mabrey, Tim Tetreault, Billy Wells, Bob Wenning, and Richard Wikle. Elected to a three-year term on the Architectural Committee was Pat Rost.

There being no further business, the meeting was adjourned at 3:29 p. m.

Respectfully submitted,
Cathy D'Amato, Secretary
Chris Henry, Assistant Secretary

