

**THE 22ND ANNUAL MEMBERSHIP MEETING
of
MERIFIELD ACRES LANDOWNERS' ASSOCIATION
September 20, 1998**

The meeting was called to order by President Margaret White at 1:30 PM. She welcomed all new members and expressed regrets concerning the death of four of Merifield residents since our last annual meeting. She thanked all board members for their support and work, especially the committee chairpersons. The Buccine's and the Hayes' were commended on their efforts for each of the 3 picnics held during the past year.

Special recognition was given to John Floreth for his many years of service as a board member as well as being an officer for many years. John has resigned from the board and will now be a part time Merifield resident.

Copies of the minutes of last years' annual meeting had been sent to all members, therefore the reading of these minutes was dispensed with. The president asked if there were any corrections. Mr. Walter Cummings noted that on Page 4, paragraph 3, that discussions on assessments were to be resumed later in the meeting but were not; therefore he wanted this sentence removed. The Chair recognized his notation, but thought clarification was in order other than omission (refer to Page 4, paragraph 6 of those minutes). Janice Pitts made a motion to accept and Joe Noah seconded. Passed.

TREASURER'S REPORT

Judy Buccine, Treasurer, had distributed a Budget vs. Actual report earlier in the meeting, giving members time to review. She stated all figures were in keeping with previous years and asked if there were any questions or comments regarding the financial status as shown in the report. There were none. Frank Clippinger moved to accept the report, and Ken Hensley seconded. Passed unanimously.

COMMITTEE REPORTS

Architectural

Ken Hensley gave the report for Mike Gupton. During the past year there were 6 houses constructed and 6 additions added. One home is now under construction bringing the total to 212 houses. Marie Garratt made a motion to accept the report; Harry James seconded.

Aviation

Joe Noah reported that the landing strip has been kept mowed and the windsock is in good shape. A few planes do use the airstrip. Motion to accept: Stan Pitts Second: B. White.

Common Facilities

Dennis Hayes reported for Chairman Roy Wendt. Work has been done to divert water from the base of the tennis court; the drive to the new utility area is in place and the barn has been repaired and repainted. Work will be done to upgrade the walking path shortly. Motion to accept: Michelle Yauch Second: R. Gray.

Community Services

No report was given but the President asked members to note the location of their septic tanks on the map which was posted at the entrance to the barn. She also noted that as reported in the last newsletter, the voice mail telephone system has been dismantled due to lack of use.

Finance

Joe Noah, Chairman of this committee, stated that his committee had recommended, and the board approved at the March 1, 1998 meeting, that when MALA's \$50K CD came due at the end of March, it be reinvested as follows: place 90% of proceeds (\$45K) in a low-risk fund, and place remaining 10% (\$5K) in a higher-risk, diversified equity fund. Why did we recommend moving our reserve funds into mutual funds? Had MALA had 20-20 foresight 15 years ago, we would have placed our reserve funds in an equity mutual fund. If we had placed them in the Dreyfus Appreciation Fund 10 years ago, they would have appreciated at the annual rate of 17.17%. The opportunity cost of not doing that was over \$150K. In other words, the difference between \$50K compounded at 17% vs. 5% is over \$150K. Our recommendation attempts to reach a reasonable balance between conservatism and risk taking. Past performance is, of course, no guarantee of future performance. Motion by Janice Pitts, seconded by Marie Garratt, that the report be approved. The motion carried.

Legislative

Roger Greenhalgh reported for this committee. He stated that the committee effort is limited to obtaining relief for the funding of roads in Merifield. MALA is required to maintain roads, but has limited authority to collect the funds needed. Working with Frank Ruff, our state representative, Bill 15.2-2257.1 "Road Maintenance Fees in Certain County Sub-divisions" was submitted to the state legislature. The bill has the effect of giving MALA the authority to collect fees for roads from all property owners in Merifield independent of covenants. This bill was reviewed by the legislative committee prior to floor vote. The committee tabled the bill for that session saying the matter affects the state more generally, thus needing more study. The committee also asked that relief by county ordinance be explored.

We proposed a county ordinance based on wording in the state bill to Jack Hite, head of the Mecklenburg County Board of Supervisors. He, in turn, asked Russell Slayton, County Attorney, to determine

the legislative authority for the county to enact such an ordinance. The attorney suggests that \$15.2-2400 "Service Districts" might apply. A service district is an authority empowered to provide a government service in additional, more complete or timely manner. The powers of the district include the ability to contract for the service and to levy and collect an annual tax from all those in the district.

We plan to meet with appropriate county officials in the near future to prepare a proposal for a county ordinance. The details of this work will be reviewed by the MALA board. All will be kept fully apprised. The report was approved on motion by Barney White, seconded by Josh Bowen, motion carried.

Roads

Frank Clippinger stated that the annual repairs for 1998 have been contracted for and work should be done in October. Resurfacing will be made to Hiddenwood, Ridge and Cheverly. Repairs will be made to Merifield Drive, Lakepoint, High Point and West Point. There are no plans for asphalt upgrade in 1998 or 1999. Discussions have been had with the land and home owners on Cedar Lane and Maplewood Lane regarding hard surfacing those roads. The desires of these people must be considered because about half of the cost will have to be borne by them, and most of the homeowners are in an area where contributions to Merifield are voluntary. So far, the responses have ranged from definite "yes" to definite "no".

Construction of the new utility area has been started. The area itself has been identified and some grading done; the drive has been completed. The six foot barbed wire topped fence will be installed this fall. The funds are available for all of these. The building itself is being designed and the costs for this range from estimates of \$15K to \$30K. There is some money available for this, but some special assessment will be needed for completion and electrification of this. It is hoped, however, that the last gravel and sand supplies have been stored on Terrace Drive.

Motion for approval of report by Joe Noah, seconded by Michelle Yauch, and carried.

School & Youth

Teresa Garlick reported that the Easter Egg Hunt and picnic were a big success. School has started and approximately 50 children are attending school from Merifield. She reports that she is going to try and convince the county to furnish Merifield school bus transportation within our gate. Motion to accept: Joe Noah; seconded by Bill McLaughlin.

Security

Bill McLaughlin asked Dennis Hayes to give most of his report. They reported that there were the usual dog problems. "No Hunting"

notices will be put into the newspapers shortly, prohibiting hunting in and around Merifield Acres as per county ordinance.

Much discussion and information was put on the floor explaining Restrictive Covenants being different in some sections regarding dogs. Also there was clarification that "No Hunting" is a county ordinance that includes all of Merifield and the government land surrounding Merifield.

At the conclusion of the committee reports, the President noted that we neglected to vote on the approval of the motions accepting some of the committee reports. The group was then asked to signify their acceptance. All reports were approved.

President White reminded each Chairperson that a copy of their Job Description should be given to the incoming president.

OLD BUSINESS

Boat Launching Facility-Rt. 821

The President announced that the Army Corp of Engineers has selected a site north of Clarksville for the new boat launching facility, in lieu of Route 821.

Land Acquisition

Frank Clippinger reported that there had not been any action taken on the parcel of the land by our front gate, but that the owner of this property knows MALA is interested in purchasing it.

Nursing Home

Margaret White reported that a nursing home has been approved for Clarksville, but the vendor has not been selected.

Assessments

Margaret White advised that we think we have a way out of the assessment problem. We have been trying to find ways to reconcile the covenants to please everyone. We feel that with the "service district"* everyone would have to pay road assessments. President White said she would take limited discussion on the matter (30 minutes). The consensus of opinion was that this new service district should be pursued to see if it would be applicable. A motion was made by Barney White that a committee, composed of Roger Greenhalgh, Frank Clippinger, Tom Parker, and Margaret White be formed to pursue this matter. Josh Bowen seconded the motion. Jerry Madura made a motion, seconded by Ann Leigh, that this committee be authorized to meet with Jack Hite, Chairman of the Board of Supervisors. The motions carried. Mary Fran Lewis then asked that Walter Cummings also be a part of this committee and Walter was agreeable.

* see Legislative Committee report for details

NEW BUSINESS

Walter Cummings made the following motion "It is moved that in an effort to establish closer communication with the membership that MALA establish a World Wide Web Homepage within two months. This Homepage shall contain at a minimum, names, addresses, phone number and email addresses (where available) of all board members, current MALA bylaws, minutes of all board of director meetings of the past year, notices of upcoming meetings, copies of the budget and current treasurer's report." Arthur Girard seconded the motion.

Judy Buccine, Treasurer, commented that MALA did not have the equipment to fulfill the terms of this motion; our computer is too old and we do not have a modem or even a telephone. A vote was taken and the motion was defeated by a vote of 23 to 10.

Walter Cummings then made a second motion "It is moved that all MALA board meetings (regular and special) be announced to the membership by mail to arrive at least two weeks in advance of the meeting and that the minutes of all MALA board meetings (regular and special) be made available to the membership within two weeks following the meeting". This motion was seconded by Aaron Cornett. A vote was taken and the motion was defeated by a vote of 28 to 4.

A third motion was made by Mr. Cummings - "It is moved that MALA Board of Directors conduct all business in strict accordance with the requirements of the Property Owners Association Act of Virginia Code, Chapter 26, §55-514 and furthermore all actions previously taken that are not in strict accordance and in violation of this act be vacated immediately." Mrs. Girard seconded the motion. Roger Greenhalgh suggested that the motion be amended to read "It is moved that MALA Board of Directors conduct all business in strict accordance with the requirements of the Property Owners Association Act of Virginia Code, Chapter 26, §55-514." Mr. Cummings refused to change the wording of his motion. A vote was taken and Mr. Cummings' motion was defeated by a vote of 18-13.

Mr. W. B. Knight then made a substitute motion that the President appoint a committee to determine whether we were in compliance with the Property Owners Association Act and if not in compliance, determine through legal counsel what needs to be done to bring us into compliance and report back to the membership. This motion was seconded by Roger Greenhalgh and passed unanimously.

RR Crossing

The Cogen plant outside Merifield is willing to do the maintenance work on a RR crossing warning gate on Route 821. Some preliminary contacts have been made. 90% of the funding would come from the state, and 10% from the county. The total cost would be between \$40 and \$50K. Several near-accidents have occurred and the school buses use this crossing some eight times per day.

Nominations

Chairman Tom Parker nominated Mary Fran Lewis to fill the term of John Floreth. There were no other nominations from the floor for this position and Mrs. Lewis was confirmed.

Tom Parker then nominated the following for the Board of Directors for terms ending in 2001: Judy Buccine, Teresa Garlick, Richard Gray, Bill McElwee, Clarence Neese, and Thomas Parker, and all agreed to serve if elected. President White asked if there were any nominations from the floor. Ann Leigh moved the nominations cease, seconded by Bill McLaughlin, and carried. The slate was declared approved.

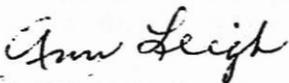
Meeting adjourned at 4 PM.

Architectural Committee

Ken Hensley was nominated to the Architectural Committee by Ann Leigh, seconded by Bill McLaughlin and motion carried, unanimously.

Meeting adjourned at 4:05 PM.

Respectfully submitted,



Ann Leigh
Acting Secretary

Inc/Exp Description	1/ 1/98 Actual	- Budget	9/19/98 Diff
INCOME/EXPENSE			
INCOME			
Assessments-:			
Arrears-	238.67	500.00	-261.33
Regular-	58,850.50	60,430.00	-1,579.50
Special-	21,991.00	23,240.00	-1,249.00
Total Assessments-	81,080.17	84,170.00	-3,089.83
Divdnd Inc/Loss-Dreyfus Accounts	-2,294.41	165.00	-2,459.41
Fees, Court/Pkt-	315.00	380.00	-65.00
Interest-:			
Bus. Inv. Chk. Act-	581.30	320.00	261.30
C.D.-	2,443.22	1,625.00	818.22
Checking-	52.89	260.00	-207.11
Total Interest-	3,077.41	2,205.00	872.41
Miscellaneous-	0.00	100.00	-100.00
TOTAL INCOME	82,178.17	87,020.00	-4,841.83
EXPENSES			
Administration-:			
Bank Fees-Svc. charges	11.40	0.00	11.40
Copier/Cmptr-Maint/Supl	358.55	300.00	58.55
Misc.-Fees/Misc	70.47	50.00	20.47
Postage-	696.52	1,000.00	-303.48
PrintingCharges-	501.92	1,000.00	-498.08
Supplies-	337.48	0.00	337.48
Total Administration-	1,976.34	2,350.00	-373.66
Capital Project-Bldg/Fence/Etc.:			
Equip. Bldg.-Funds put aside for bldg.	0.00	7,390.00	-7,390.00
Special Upgrade-Special projects	3,500.00	15,850.00	-12,350.00
Total Capital Project-Bldg/Fence/Etc.	3,500.00	23,240.00	-19,740.00
Com.Facilities-	1,470.42	2,500.00	-1,029.58
Committees-All Expenses:			
CommunityEvents-	333.04	100.00	233.04
Total Committees-All Expenses	333.04	100.00	233.04
Donations-	50.00	100.00	-50.00
Electric-Usage/Repairs	89.60	150.00	-60.40
Fees/Court,Misc-	57.00	350.00	-293.00
Fees/Legal-	300.00	600.00	-300.00
Insurance-	589.00	600.00	-11.00
Manager-:			
Com.Facilities-	2,379.00	0.00	2,379.00
Mow-	14,090.00	16,180.00	-2,090.00
Roads-	8,684.00	19,123.00	-10,439.00
Security-	1,729.00	2,704.00	-975.00
Snow-	357.50	1,200.00	-842.50
Total Manager-	27,239.50	39,207.00	-11,967.50
Roads-:			
Contract Paving-Outside contract work	0.00	14,000.00	-14,000.00
Supplies-	2,175.41	2,523.00	-347.59
Total Roads-	2,175.41	16,523.00	-14,347.59
Tax Preparation-	155.00	150.00	5.00
Taxes-Federal/State	1,068.17	1,150.00	-81.83
Vandalism-Cost of same	258.49	0.00	258.49
TOTAL EXPENSES	39,261.97	87,020.00	-47,758.03
TOTAL INCOME/EXPENSE	42,916.20	0.00	42,916.20

BALANCE SHEET
As of 9/19/98

MALA-All Accounts
9/24/98

Page

Account	9/19/98 Balance
ASSETS	
CURRENT ASSETS	
C.D.-Central Fidelity	0.00
Checking-Nations Bank	2,693.92
Dreyfus ApprFnd-Appreciation Fund	17,186.73
Dreyfus ShtTerm-Short Term Income Fun	34,165.80
Dreyfus-Liquid Assets	0.00
Inv.Act.-CAP.P.-Nations Bank	50,986.36
Petty Cash-Cash Box	14.86
TOTAL CURRENT ASSETS	105,047.67
TOTAL ASSETS	105,047.67
TOTAL LIABILITIES	0.00
EQUITY	
EQUITY ACCOUNTS	
Open Bal Equity-Opening Bal Equity	94,522.25
TOTAL EQUITY ACCOUNTS	94,522.25
CURRENT EARNINGS	10,525.42
TOTAL EQUITY	105,047.67
TOTAL LIABILITIES AND EQUITY	105,047.67

BUDGET REPORT
1/ 1/98 Through 9/19/98

A-All Accounts
9/19/98

Page 1

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9/19/98

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TOTAL EQUITY ACCOUNTS	<u>94,522.25</u>
CURRENT EARNINGS	10,525.42
TOTAL EQUITY	<u>105,047.67</u>
TOTAL LIABILITIES AND EQUITY	<u><u>105,047.67</u></u>