

THE 23RD ANNUAL MEMBERSHIP MEETING
MERIFIELD ACRES LANDOWNERS ASSOCIATION
September 19, 1999

Tom Parker, Association President, called the meeting to order at 1:30 PM. He welcomed members, noting that Merifield Acres had escaped the wrath of Hurricanes Dennis and Floyd. He announced the resignation of Margaret White from the Board of Directors and as Association Secretary, effective at the conclusion of the Annual Meeting. He noted that Margaret had served on the Board for 22 years in various capacities including Roads Committee Chair, President, and Secretary. He thanked Margaret for her many significant contributions, not the least of which being the impetus in getting the County to relocate its trash collection site in a more convenient location for Merifield Area residents. The members gave Margaret a standing ovation as an expression of their appreciation.

Minutes. The Secretary noted that a copy of the minutes of the last meeting had been mailed to all members and in the absence of any objection, requested that they be approved. A motion to approve was made and seconded and the minutes were approved as written.

Treasurer's Report. Judy Buccine, the Association Treasurer noted that a concise statement of current fiscal year income and expenses as a function of budgeted figures and actual receipts and expenditures had been provided to each attender. Also provided was a statement of MALA's current accounts and investments. (See Attachment A). She invited questions/comment. Tom Lilly asked if the "Fees/Interest" numbers represented interest from the Dreyfus investment accounts. The Treasurer reported that they did not; The numbers represented receipts from late fees, disclosure packet fees, and checking account interest. Returns from the Dreyfus accounts are being reinvested in those accounts. A motion to approve the Treasurer's Report was made, seconded, and passed without dissent.

Committee Reports

Financial Committee Report - Joe Noah, the Finance Committee Chair, referring to the Treasurer's handout, described the Association's Reserve Fund investment strategy as it has been established by the Board of Directors; Initially the bulk of the Reserve Fund was invested in the Dreyfus Short Term Income Mutual Fund with \$5000.00 being transferred from that fund to the Dreyfus Appreciation Mutual Fund (which promises a somewhat greater return than the Short Term Income Fund) each quarter to achieve the benefits of "dollar cost averaging". The Board of Directors has reaffirmed this strategy at each subsequent Board meeting.

Floor discussion questioned the need for a Reserve Fund. The Roads Committee Chair enumerated potential needs for reserve funds such as emergency repairs to roads, restoration of storm damage,

and upgrading of roads when land occupancy made this necessary. The Secretary noted that the Association had paid out \$150,000 over a 3 year period to upgrade Merifield Acres' main thoroughfares. Tom Lilly questioned the rate of return on these investments noting that because of the risk associated with investing in equity funds, he felt that investing these reserve fund monies in Treasury notes/certificates of deposit would be more prudent. Art Girard led a floor discussion concerning the advantages of diversifying invested funds vice having all funds in a single account. The conclusion of the discussion was that the Association should strive for a 80%-20% balance between the Dreyfus Appreciation Mutual Fund and the Dreyfus Short Term Income Mutual Fund. This was proposed as a motion that was seconded and passed without dissent. The Chair, Finance Committee, asked the membership to reaffirm its support for the overall investment strategy and the shifting of funds from one account to the other until the desired 80%-20% ratio is achieved. A motion to this effect was made, seconded, and passed without dissent.

Architectural Committee Report - The Chair of the Architectural Committee, Mike Gupton, reported that in the past year his committee has approved the construction of 11 homes and six additions. There are a total of 217 homes in Merifield Acres with six more under construction. A detailed report of the Architectural Committee is on file with the Secretary.

Aviation Committee Report - The Chair of the Aviation Committee, Joe Noah, reported that inasmuch as the aircraft hangar on Meriweather Drive would be completely vacated by the end of the year, the Association needed to develop a plan for the future of the hangar. Frank Clippinger described the deteriorated condition of the hangar. Noah noted that the airstrip was being used and that there had been six planes that had used the strip in a single day in July. It was noted that there are at least 5 pilots that are property owners in Merifield. Merifield land owner James Maye commented favorably on the idea of having an aircraft hangar available. Noah presented a motion that the incoming President appoint a committee to study the repair or replacement of the existing hangar. The motion was seconded and approved without dissent.

Common Facilities Committee Report - Roy Wendt, Chair, reported on the four components in his area of responsibility:

Oak Park - Since the last annual meeting the dock has been completely repaired.

Tennis Court - The court has been resurfaced (at a cost of \$4400) and is ready for all tennis players. Floor discussion noted that despite the infrequent usage of the court, property values are enhanced by having the recreation facility available.

Entrance - Grass mowing at the entrance has been done more frequently to improve the initial impression one forms on entering Merifield Acres. The efforts of Shirley Greenhalgh and Donna Wendt in planting, watering, and weeding the flower beds were noted with pleasure and appreciation.

Walking Path - The walking path was leveled to minimize water damage and resurfaced last fall. Residents were reminded that the path is designed for walking or jogging but not for vehicular traffic.

The Chair provided a detailed report for inclusion in the Secretaries files.

Community Services Committee - No Report. The Secretary reminded property owners of the necessity to notify the Committee Chair of the location of their septic tank which location could be critical in the event of an emergency. The normal septic tank will not support the weight of a fire truck.

Legislative Committee Report - Roger Greenhalgh, Chair, reported that because of the efforts of Delegate Frank Ruff, an amendment to the Virginia statutes concerning Service Districts was introduced, approved by the General Assembly and signed by the Governor. This amendment allows private communities (such as Merifield Acres), under certain conditions, to create a Service District for roads. This accomplished, the Merifield Acres Service District Petition committee was able to commence their work.

Roads Committee - Frank Clippinger, Chair, reported that while there is a continual need for preventive maintenance such as shoulder repair, and the application of herbicide to prevent root encroachment into the road bed, our roads are in good condition. There was minimal winter-related damage. Merifield Acres has not had a road contractor inspection this year and based on the general condition, one may not be needed. Clippinger noted that Beechwood and Elm Courts now have one house each and in accordance with established Association policy (\$3,000 allocated to the road when the initial home is erected) the Association may have to provide these funds. He was of the opinion that complete resurfacing would probably not be necessary.

Security Committee - The Chair, Bill McLaughlin, reported that there had been three complaints received in July and August concerning ATVs. He also reported that in one night three boats had been taken from their moorings and later found in nearby coves. The same night another nearby boat had been ransacked and two fishing knives were apparently stolen. A boat owner reported from the floor that his boat had had its fuel stolen on one occasion. McLaughlin suggested that boat owners be vigilant and that when

temporarily away from their home, to ask a nearby neighbor to keep an eye out for suspicious waterfront activity.

A member reported that the Mecklenburg Rescue Squad has found inaccuracies in the address database maintained for the County 911 emergency service. Merifield Acres residents are asked to call the non-emergency 911 number (374-2154) and verify that their home address is accurately reflected in the 911 database. The member also asked that residents ensure that the phenolic house number provided to all homes last year be positioned in a way easily visible to incoming traffic (and not just to be viewable to the postman who sometimes moves in a direction opposite to normal traffic).

The Chair reported that automobile speeding is becoming increasingly troublesome. The Merifield Acres posted speed limit is 30 mph. If the speeding problem is not brought under control through individuals taking personal responsibility for their actions, the installation of speedbumps or similar measures will have to be considered. [FYI, speed in excess of 20 mph over the posted speed limit is considered reckless driving.]

Kevin Hensley provided an update on the operation of ATVs and motor scooters. ATVs are not legally permitted to operate on public roads or on walking paths. Motor scooters can be operated legally on roads. There are no limitations on the age of motor scooter operators nor are there requirements concerning wearing protective head-gear. The ATVs owned by Merifield Acres residents are uniquely colored and can be traced to a particular owner by the vehicle's color.

Bill McLaughlin reported that there were a number of bicyclers interested in forming a riding club. If interested in joining, give Bill a call at 374-0529.

School and Youth Committee - No report.

Old Business

Adoption of Revised Association Bi-Laws - Before general discussion commenced, Paul Lautermilch reported that in discussing the Service District petition with property owners, he sensed a general concern over the apparent absence of spending limits in the Service District petition as well as a perception that the Board of Directors was not truly representative of the membership. In this regard, he observed that Joe Noah, the Chair of this year's Nominating Committee, had publicized the need for candidates for seats on the MALA Board and had developed a slate that exceeded the number of actual seats available, thus providing choice to the voting membership. Addressing the concerns over spending limits, Lautermilch recommended that the By-Laws be changed to require approval of the Association's annual budget by the membership at

the Annual Meeting. He also recommended that the Board of Directors be permitted to set the date of the Annual Meeting that best suits the Association's needs as well as providing a more precise definition of what constituted an "issue of major importance" requiring a 2/3 approval vote of the members voting. Discussion resulted in a motion by Eric Scheidt that the definition of an "issue of major importance" include "capital improvements costing in excess of \$3000". The motion was seconded and passed unanimously. While discussion of these issues supported their inclusion in the Association's By-Laws, because they had not been circulated to the membership in advance of the meeting, they could not be included in the proposed revised By-Law draft being considered.

Discussion of the proposed revised By-Laws noted an error in Article II, paragraph 7.a. Architectural Committee. Mike Gupton said that changing the penultimate sentence to read "The Architectural Committee will operate within the Architectural Guidelines established by the covenants and will make regular reports to the Board." will correct the error. The motion by Walter Cummings to adopt the revised By-Laws as corrected was seconded and was approved unanimously.

Utility Building - Frank Clippinger reported that the Utility Building will be completed by year's-end. The cost of the building will be \$20,000. Between carry-over funds from prior years and barring unanticipated weather-related road damage, sufficient funds will be available to complete the project.

Service District - Paul Lautermilch provided a status report on the Association's Service District petition program. To date, signed petitions representing 243 owners of 275 lots have been received. This represents 42% of the lots and 48% of the owners. He observed that the July 31 deadline in the letter circulating the petition to the membership was misleading in that it was intended only to convey a sense of urgency rather than a hard deadline. He called attention to a posted Merifield plat chart showing those lots for which signed petitions had been received. He reiterated the pressing need for approving the Service District and invited comments from the floor.

Judy Harris observed that by virtue of the proposed tiered approach for allocating road maintenance costs among the property owners, certain owners (i.e., those owning non-perc lots) were being "gouged." Kevin Hensley objected to "taxing" non-perc lots and John Harris proposed creating a third tier for non-perc lots. Vance Rucker supported the Service District concept but urged that the Association "get its act together" (i.e., developing an apportionment approach that would be supported by a very large percentage of the Merifield community) before approaching the Mecklenburg county officials. Lautermilch closed the discussions by reiterating the need for the Service District.