

SMSA ANNUAL MEMBERSHIP MEETING – OCTOBER 29, 2022 1 P.M.

Location: New Market Town Hall with Virtual Access: Zoom and Dial-in

Board Members Present: Co-Presidents Anthony Baugher and Jim Jahoda, Treasurer, Tom Gannon, Director, Al Herman and Volunteer Secretary, Diane Gannon. Absent: Heather Conley

MINUTES

CALL TO ORDER: 1:05 p.m. by Co-President Jim Jahoda

QUORUM: A quorum representing twenty-eight lots were at the meeting (19 in-person, three on Zoom and six by Proxy.)

WELCOME: Welcome and opening remarks by Co-Presidents Anthony Baugher and Jim Jahoda

APPROVAL OF 2021 MINUTES – Jim called for a motion to approve. Motion made, seconded and approved.

ROAD COMMITTEE REPORT – Committee Chair, Tom Gannon

Tom discussed this year's road work completed and the 2023 plan to continue work on drainage issues , adding that the 2021 drainage work has helped considerably.

He said that the contractor now rolls the gravel and uses a special aggregate to harden on the steep areas. Potholes were very bad this year and an unusually large number of fallen trees had to be removed from the roadway. We want to see more roadside brush cut next year and we expect culverts and ditches to continue to be cleaned as needed. One culvert on Sundance will need to be replaced if funds are available.

The sign and pole at Walden and Blue Smoke was repaired by Tony Baugher and Jim Jahoda after being broken off by falling trees. Jim gave special thanks to Cathy Gregg for her work at the Sundance sign, planting flowers, azaleas, and spring bulbs.

Bob Shuping gave an update on his installation of a diverter belt for helping drainage in his driveway, saying it's working very well and easy to drive over. He's considering adding another one. Michele Thomas added that she also would also be interested in using one and thought other members may also. Al Herman commented that Blue Smoke looks better than ever – usually having heavy bumps, which are now gone.

Walter Leisersohn stated that maintaining driveway culverts are challenging and he would appreciate some ideas on how best to maintain them. Tom commented that members need to try to clean the leaves early, if possible, before they get too clogged. It was added that we have considered having the leaves blown out of the ditches and are looking at the cost of doing that. It was agreed that it should be looked into possibly adding to the road budget, but the amount of leaves, sticks and debris in the ditches will always be a problem.

WELLS COMMITTEE REPORT – Committee Chair, Tom Gannon

Tom reported water tests showed no bacteria and tests are now done twice a year, with filters being replaced every two months. We have had several large leaks this year and appreciate people watching for and reporting on wet ground. Since our waterlines are very old, we expect this to recur.

Tom discussed finding hot tubs to be too much of a burden on the share-wells and asked those with hot tubs to have water delivered. Diane Gannon added that both pools and hot tubs can cause the pumps to run excessively, which can clog up the filters faster, which then results in the UV lights not effectively cleaning the bacteria.

Tom added that we are maxed out on all wells, with no additional hook-ups allowed. Al noted that well repair bills are paid first by SMSA and the HOA expects to get reimbursed and asked members to pay quickly when invoiced. Adam Rezk, on well 35, noted a sulfur problem in the water and asked what we are testing for in the water. Diane added we test for bacteria, but not chemicals. Gail Carter added the smell is from sulfur eating bacteria, which is not harmful, but an inconvenience. One member commented that a whole house filtering system is installed by many members to take care of the sulfur and iron. Bob Shuping said he's had success using a canister with Charcoal.

Al Herman added, if a major expense happens on a well, the members on that well must make a joint decision on what happens and be responsible for the expense and may be called upon for advanced payments.

Anthony Good asked if the HOA is opposed to homeowners drilling their own well? The response was that it would be a great idea, since it relieves the well of users.

GOVERNANCE COMMITTEE – Committee Chair, Al Herman

Al gave recognition to Diane Gannon for volunteer secretarial work. He said the HOA is now registered, as required by law, with the Common Interest Community Board which allows us to officially charge for the Real Estate disclosure package of \$150. We are required to submit annual reports, as we do with the State Corporation Commission.

Al said the Board approved the Fire Pit Safety Rule, noting VA has a time for posting No Burn Rules. He added Board nominations will also be made a little smoother and more in compliance with the bylaws and VA Code. A member asked if processes are documented each year, so that new Board members know what to do. Diane Gannon, commented, that is being worked on.

Eric Sauder voiced concern over the fire pit burning close to his property. He is concerned with large fires causing a forest fire, asking them please be responsible for their renters using them. Diane noted it's important that screens are on each fire pit. Michele asked for guidelines to enforce issues. She asks for something to protect the community and enforce the rules, asking how is anything enforced? Anthony added he has a guidebook for all renters in his Airbnb and he will ensure that all renters have that info. He added that he thinks the Board is doing due diligence on all issues with the Rules and Guidelines.

Adam Rezk added as an Airbnb owner, they have spent a lot of money to improve and continue to keep property clean and up to date, adding the issues mentioned are not just for rental properties. He noted “we are all homeowners and all should be treated equally.”

Bob Shuping added that if those renting require a deposit, then that would help. Anthony Good also said it should also be an issue for all members and their visitors. Walter Leisersohn agreed saying – it should be for all members – and is talking more about accountability. Al Herman reminded members that the board is not a policing agency. We have the fire safety rules and if there’s damage – members are going to be responsible, adding the rules are there. Diane Gannon said that the Board has put rules and regulations in place for several issues to date and those are now part official HOA governance documents.

Eric Sauder felt it’s mostly those that don’t live on the mt. – visitors or renters, that don’t always have common sense of how to live on the mountain. Michele asked if we can we get a few people to work with the Board to make sure all the concerns are listed – whether full or part-time renters – Guidelines, etc. Some members asked what would be the outcome? Don’t we have Guidelines already? It was agreed that a small group would be looked into. Jim asked members to email their concerns to him and say if they want to participate. Al commented that since there seems to be so much interest, please volunteer to sit on the committees, adding we welcome anyone to give us some help.

FINANCE COMMITTEE REPORT – Committee Chair Al Herman

Al noted that we spent more on roads than budgeted this year due to increased costs of gravel, oil and overall costs, and we have proposed to budget less in 2023.

We are taking major steps on delinquencies – getting some liens where we can and taking other steps. We spent a good deal on bookkeeping, but in the last several months, have reduced costs considerably. He added we are getting a lot of major reports from VBS that the HOA is required to maintain.

While we budgeted a deficit of about \$2k, we expected to get about \$5 on the restitution. However, the restitution fell short by \$3000. In mid-December we will have input before the courts on what will happen with that shortage.

This year, we are not budgeting a deficit – rather a break even. The restitution money will go into our reserves, so it will not be in the budget. Our reserves is now about \$7000. Our cash flow is not great, but we can meet our bills with the help of people paying their well bills. With the new assessments coming in the first of the year, we will be OK with everyone’s cooperation.

Jim went over the restitution issue and his efforts in contacting the Commonwealth Attorney, with little help. He is now working with a new CWA, with no response. We did get a payment just before the meeting. Al said the balance is now \$19K and she will not make the full payments by 2023 as required. He expects the date to be extended and possibly payments reduced. In addition, the member is in heavy delinquencies in assessments and well repairs. Asked about getting a lien, Al said we can only sue for one year in assessments, which is planned.

Al added that we were now able to accept credit card payments and many members are taking advantage of that. It has resulted in faster payments for both assessments and well repairs.

Al then turned to the budget, that shows about \$1700 less in revenues than what was budgeted due to non-paying members. We are budgeting an increase in dues, due to inflation and increase in road fees. Tom added that the cost of oil jumped from \$690 to \$1200 for a barrel of oil, and gravel jumped up \$2 per ton, which costs about \$1,200 more than we paid last year. Bookkeepers are giving us a discount and seems to continue that. We propose to increase dues by \$45 for general assessments, which would be a total of \$360, with no increase on well fees, which would remain at \$65. We are working toward a balanced budget for 2023, with less on roads, since they should require less work. Tom commented on the good work that the bookkeepers have done with all of the reports that they provide to the HOA. A motion was made to approve the budget and was seconded. Vote was taken and unanimously passed.

ELECTION FOR THE BOARD:

Everyone was asked to fill out their voting cards and turn in to Tony and Gail. All six nominees on the ballot were voted for unanimously.

Voted into office: Jim Jahoda, Al Herman, Tom Gannon, Heather Conley, Eric Sauder and Bob Shuping

OPEN DISCUSSION:

Eric discussed possible fires on the mountain with many roads with no exits. He suggested having members clean up their deadwood. Anthony Good suggested having members announce if they have deadwood, they would be willing to have others cut up. Eric made a motion to identify someone willing to clean up wood from the lots. Jim suggested an email sent to members if they would like to cut up some? Michele seconded. There was added discussion, but no vote.

MOTION TO ADJOURN -SECONDED

Meeting adjourned: 2:35