



Village on the New Owners' Association, Inc.  
2022 Annual Meeting Minutes  
May 21, 2022

### Call to Order

The 2022 Annual Meeting of the Village on the New Owners' Association was called to order by President Rick Wilson at 10:03 a.m. on Saturday, May 21, 2022. The meeting was held at the Glendale Springs Volunteer Fire Department Community Meeting Room.

### Quorum

Attending were the following property owners: Robert Barkhau, Robert and Jennifer Brown, Patrick and Patty Croghan, Winborne Gautreaux, Jonathan and Ashley Golding, David Hamm, Randy Hanson, Ann and Glenn Hood, Steven and Tamara Jacobi, Randy Killebrew, Eric and Heather Mindel, Tad Ochman, Hazel Robinson, Connie Culbreth, Kerry and Donna Stinman, Jim and Pam Tapp, Susan Williams, Keith and Cheryl Wilson, Rick Wilson. Owners previously submitted proxies representing 13 additional lots, in addition to those owners present. Also in attendance were Steve and Kim McCarthy, prospective owners, and holders of a proxy from Five Rhodes Properties.

A total of 42 of 85 VON properties were represented, providing a quorum for the meeting.

President Rick reminded owners that there had been a special called meeting of the Association, October 2, 2021, and that a Board of Directors, consisting of 7 members had been elected. According to President Rick, the board elected at that meeting has met a total of 8 or more times.

### Introductions

President Rick had the Vice President, Connie Culbreth, introduce the members of the Board.

### President's Report

The following points were made by President Rick in his President's Report:

- Immediate Past President Pat Croghan was recognized for his assistance to the new board as it organized, and longtime Secretary and Treasurer of the Association, Pam and Jim Tapp were recognized for their many years of service to the Association and for their invaluable assistance in helping the transition to the new board.
- The board has established a quarterly meeting schedule. Members are welcome to attend regularly scheduled meetings of the board, the next one of which is July 15, 2022.
- In its first meeting, the board discussed a code of conduct and ethics for board members but in researching this matter, it was found that the North Carolina Code, Chapter 47F discussed the responsibilities of board members and officers, so we did not go further than that.
- Email accounts were established for the President ([presidentvillageonthenew@gmail.com](mailto:presidentvillageonthenew@gmail.com)) and the Treasurer ([vontreasurernc@gmail.com](mailto:vontreasurernc@gmail.com)).
- A local attorney, Jak Reeves, has been retained, and has been made an ex officio, non-voting member of the board so that discussions with the board and members can be conducted in a confidential, lawyer-client manner. As there are three sections to the Village on the New property, and there are different restrictive covenants for each of them, it is a very complex situation which an attorney can expedite to assist the Board in understanding the language and complexity of our Declarations and By-Laws.
- The Board has responded to several property owners' needs and requests, and has held a joint meeting with the Architectural Review Committee.

- Currently, there are revisions planned to the VON webpage, which will enable owners to better utilize information and to improve communication among the neighbors, and can be used for potential buyers and sellers. President Rick noted that there was a need for someone to work with Pat Croghan to take on the management of the webpage. Anyone having an interest in that, please let President Rick know.
- The Board considered the input from the property owners that was received at the Special meeting on September 2, 2021, and prioritized those items mentioned that were safety-related – including sink holes near the turnaround in the common area, the walking trail bridge, and a needed guardrail on Crain Branch Ln.
  - Mountain Advantage has been engaged to explore the cause of the sink holes but nothing has been completed on that issue. It was suggested from the floor that the sink holes be enclosed with a warning tape until the issue was resolved.
  - The walking trail has an issue where the bridge crosses a small stream, and it needs an additional railing and the base needs to be repaired.
  - A guard rail has been proposed for that part of Crain Branch Lane where the curve is at the Jones home. It is often very icy on that road in the winter. Some exploration of costs has been done, but no action has been taken as of this time.
- Volunteers have done some work in the community. Their work has been invaluable.
  - Newly re-painted road signs were done by Randy Hanson.
  - Bob Brown has done continuous work clearing the walking trail of fallen limbs and has made a temporary fix at the bridge.
  - Members have spotted erosion issues that if addressed will save significant sums to the Owners Association.
- For 2022-23 year, new opportunities include working to control mowing costs for 2023, planning a VON social and possible workday.

### Treasurer's Report

Treasurer Keith Wilson presented the Treasurer's Report. He noted that copies of the 2021 Financial statement were not available at this time, but that it will be sent out later. All members received a copy of the proposed budget at registration. He stated that the current checking account balance was \$58,593 and the Road Reserve Fund balance is \$84,008, with a total balance of about \$140,000.

He stated that he will be moving about \$18,000 in funds from the checking account balance to the Road Reserve Fund (an amount equal to \$219 per lot in dues and whatever is in Road Impact Fees), giving us a little over \$100,000 in the Road Reserve Fund. Also, Keith noted that the Association owns some other assets – the 6.327 acres of land on which the Carl Franklin Colvard, Jr. Memorial Park sits, lots 50 and 80, and 7.997 acres to the left of the VON entrance.

Keith stated that the 2022 outlook was that expenses appear to be exceeding our revenues, driven by a large increase in our mowing contract, which itself is being driven by the increased costs of fuel and labor. Mountain Advantage proposed in April a large increase in price for the mowing. President Rick met with Daniel Roten of Mountain Advantage, and was able to reduce this amount by making some changes in the area being cut by mowers to being cut by string trimmers (which costs less) and by reducing the amount of right of way being cut.

Also there is an increase in spending due to some unbudgeted professional fees (\$1,000 for retainer fee for an attorney at \$200/hour for his services and the cost for a financial review of the books as required.) The 2023 budget

is based mostly on the 2022 outlook, with an increase in mowing costs, landscaping and snow removal – an increase in snow removal costs so that all roads in the subdivision are cleared each time it snows.

Keith noted that we had enough reserves for 2022 and 2023 without increasing dues but the excess of expenditures over income was not sustainable over the long term, and will result in a dues increase, a cut in services or reduced buildup of funds in the Road Maintenance Account.

The Board has been examining existing services received to see if there are ways to reduce costs. Keith mentioned that electricity costs are increasing for streetlights and gate operation. Blue Ridge Energy owns and leases the streetlights to the Association with a monthly fee per light, which covers the cost of electricity and maintenance. The board has discussed asking Blue Ridge about whether there would be any savings to the Association if the current streetlights were replaced with LED lights. He noted that cost savings could be effected by use of members volunteering their labor and services in place of hired services. He noted that the last option would be to defer improvements related to identified safety issues.

The Board is currently looking for new revenue sources. One way would be to take some of the funds in the road funds and put them into interest-bearing accounts. Another option is to implement a property transfer fee. The current road fee is designed to mitigate the impact of construction on the existing roads, and can only be collected one time per lot when a home is built on that lot. A property transfer fee would be collected each time the property changes hands. If we are to implement a transfer fee, it would have to result from an amendment to the existing Bylaws as we do not have anything in the current bylaws to address that.

We also do not have any provision to cover the costs of any kind of emergency situation. The Board is proposing an amendment to the Association's Bylaws [see **Appendix** for wording of proposed Bylaw amendment]. Keith explained that if the amendment is passed by the owners at this meeting, none of the amendment's provisions could be put in place without another vote of the owners at some future time. There was discussion from the floor of the proposed amendment, and questions were posed and responded to clarify the provisions of this amendment. It was explained by Keith that the details of the process would still need to be determined. Currently, the Association may levy an annual assessment fee on lots, but there is no provision to levy an assessment that is not collected annually (a one-time assessment).

President Rick moved to vote to approve the budget as presented by Treasurer Keith, seconded by Ann Hood. Motion approved by voice vote.

President Rick moved to vote on the proposed amendment to the Association's Bylaws, seconded by Ann Hood. Motion approved by voice vote.

Glenn Hood provided a ballot with both questions on it and gave instructions on the voting process. Those who had proxies were provided ballots based on the number of proxies held. Ballots were collected and were then counted by Board Members Winborne Gautreaux and Bob Brown. Both measures were approved by vote of members present – 1 vote per lot owned – and by the votes of those holding proxies received.

### Architectural Review Committee Report

President Rick introduced the Chair of the Architectural Review Committee [ARC], Bob Barkhau, who gave a report on the activities of the committee since the last meeting. He noted that the committee was reviewing the Architectural Review Guidelines [Guidelines], that were first published in 2004, and that they would be offering updates on some of the guidelines, based on newer materials being available. Chairman Bob noted that there was one new application to the committee in the past year, from Randy Killebrew, and two homes are currently under construction, one for Steve and Kim McCarthy and another by Carole Gailor. The committee has approved several requested variances from the guidelines. Discussion ensued on the procedures that the ARC follows when an application is made to the committee. Chairman Bob noted that the Guidelines contained everything from the color to the slope of the roof to the siding and that all members should read and become familiar with the

guidelines. They are what our community wants to be as it is being developed. The committee is recommending the use of LP Smart Siding® and HardiePlank®, as well as asphalt shingles, and to clarify the colors that can be used. The committee would like to establish a “sunset provision,” a time frame within which a home must be begun after the ARC approves the plans. President Rick interjected that the current covenants require that a home must be completed within 12 months of being begun, but that there were currently no rules about the time to begin construction once the plans are approved. Chairman Bob also noted the current 12/12 roof pitch requirement, and that the ARC has allowed some variances on that roof slope. Introducing the other members of the ARC that were present, Ann Hood and Susan Williams, Chairman Bob mentioned the issue of clearing lots which needs to be addressed as well.

Asking for input from those at this meeting, Chairman Bob asked ARC member Ann Hood to keep some notes on the items that would be mentioned. He stated that any Association member who wished to add input should send suggestions to him by email no later than June 15, 2022, and that those suggestions would be considered by the ARC. Glenn Hood mentioned that the proposed “sunset provision” was being suggested in case there was a long period between approval of the owner’s plans and the commencing of construction, there could possibly be changes in the Guidelines in the interim. President Rick noted that there was a question of the appropriate length of time for such a provision, and Chairman Bob stated that that was something the Committee needed to talk about. Several members mentioned that builders are now saying they are 24 months out with new construction, and that current materials shortages have created additional construction delays extending construction time. President Rick clarified that there were two issues being discussed here, (1) the time from the approval of a plan by the ARC to the beginning of construction, and (2) the time to complete the building project, once it commenced [which by the terms of the Restrictive Covenants, is one year]. Several members suggested varying times for the approval window, from 12 to 18 to 24 months. Chairman Bob also mentioned the issue of clearing lots prior to construction, and that the ARC should be involved prior to that happening. David Hamm asked if after the “sunset period” passes and someone begins the process without re-submitting their plan, what could the Association do. President Rick stated that the Association has the right to stop them. A question was raised about the “ban” on solar panels, and President Rick responded that the current guidelines only state they cannot be on the side of the house facing the street.

### Architectural Review Committee Election for 3 Positions

President Rick announced that there was now to be an election for members of the ARC. There were three nominees for the three positions on the ARC. These members are to be elected annually for one-year terms. The nominees were Bob Barkhau, Ann Hood and Susan Williams. There were no additional nominees. Glenn Hood moved that the nominations be closed, and that the three nominees be elected by acclamation, seconded by Connie Culbreth. This motion was approved.

### Board Election for 2 Openings

President Rick announced the election of two new members of the Board of Directors of the Association for three-year terms each. Nominees for the two positions were Bob Brown, Winborne Gautreaux, and Scott Mickleby. Both Bob Brown and Winborne Gautreaux were current members of the Board and wished to be re-elected. Scott Mickleby is a retired Marine Colonel, and lives in Virginia. He plans to move here in the not-too-distant future and live here full time. He worked on the committee to set up the current Board.

There were no additional nominations from the floor. Glenn Hood was asked to conduct the election. He explained that there was one vote per lot owned, and that only two nominees of the three on the ballot could be voted for.

Ballots were distributed and collected and were then counted by Board Members Connie Culbreth and Randy Hanson and Association member Cheryl Wilson. Bob Brown and Winborne Gautreaux were elected by the members of the Association present – 1 vote per lot owned – and by the votes of those holding proxies received.

## Listening Session

Topics discussed during the “listening session:”

- Heather Mindel volunteered to set up an online signup sheet for an Association cleanup day.
- David Hamm volunteered to research prices of new speed limit signs to replace old and faded existing signs, and report his findings to the Board, and to put up those new signs.
- A question was raised about whether the Board had explored other options regarding the guardrail. President Rick responded that “we haven’t.”
- David Hamm asked about the Park – split rail fencing. He suggested that we have a workday and take the fence down. He also mentioned the fencing at the entrance as needing work. Noting that the fences were 18-20 years old, he suggested that we either replace them or remove them and haul them off. He noticed that one of the picnic shelters at the park does not have a table, and questioned where it had gone. He was informed that it was moved over to the turnaround circle where the road ends. He also noted that there were several dead trees down there, and it was not very esthetically appealing. He said it was not a matter of trimming, but of cutting down and hauling off. He also stated that there were trees in the right of way at various places in the community that were dead and needed to be removed.
- Pam Tapp asked about the entrance and whether Mountain Advantage also handled the maintenance of that area – including mulch and cleaning of the bed in the center of the entrance. President Rick replied that there was an item in the budget for “landscaping” and that we might have to dip into that line item to fix the sinkholes at the park. Treasurer Keith said, “So far this year, Mountain Advantage had not billed us for any landscaping.” It was suggested that perhaps homeowners might volunteer and be able to help maintain that area.
- An observation about the entrance gate was that it was in need of some maintenance, as it made a lot of creaky noise when it was opened. President Rick replied that the company that maintains the gate only comes when we contact them. Glenn Hood stated that he had talked to the gate maintenance man when he was there repairing the gate, and was told that the paint on the gate was powder coated, and if they repainted it, they would take it down and take it to Wilkesboro where a company could powder coat it again. It was observed that we could paint the gate ourselves and save money.
- A question arose about the amendment to the Bylaws that was passed today. President Rick stated that there were no plans to set the Transfer Fee up at this time, but to explore other actions to try to save the Association money without using that means. Further, the Board is not suggesting an increase in dues this year. Treasurer Keith Wilson added that “we’re fine, we’ve got enough money to get us through the next two years unless something really terrible happens.” He suggested that the Board would use the next year to investigate how we can cut costs, and then we can come back with a number that says we need to raise dues by ‘this much’”.
- Kim McCarthy asked about an opener for the entrance gate, and Treasurer Keith stated that the device was \$20 which is about what it costs us.

There being no further business, Eric Mindel moved to adjourn the meeting, seconded by Steven Jacobi, and the motion was passed unanimously at 11:46 a.m. adjourning the meeting.

Respectfully Submitted,

M. Glenn Hood, Secretary

## Appendix

### Proposed Amendment to VON By-laws

Article XII of the By-laws is amended by adding section (b), which states:

(b) The Board of Directors may levy a transfer fee on each lot sale or other assessments for other purposes as it deems necessary, subject to the approval of such fee or assessment by the members at a regular or special meeting, by a majority vote of a quorum of members present in person or by proxy.