**THE LODGE AT BLUE MTN OWNERS ASSOCIATION**

**P O BOX 1150**

**MARS HILL, NC 28754**

**MINUTES OF THE ANNUAL MEETING OF OWNERS**

**JUNE 24, 2024**

**CALLTO ORDER**

The meeting was called to order at 9:00 AM by David Brown, Interim President. In addition to Mr. Brown, other Board Members present were: Deborah Blanchard, Secretary/Treasurer; Janet Rich and Stephanie Brader, Members At-Large and Teresa Wilcox, Financial Manager.

**CERTIFICATION OF QUORUM**

Five Unit Owners were present and there were three additional proxy votes totaling eight. This constituted the required 20% quorum for the conduction of business.

**APPROVAL OF AGENDA**

The Agenda was approved.

**APPROVAL OF MINUTES OF 2023 ANNUAL MEETING**

The motion to approve the 2023 Annual Meeting minutes was made by Dave Brown and seconded by Janet Rich. The minutes were approved by unanimous vote.

**FINANCIAL REVIEW**

* Statements of Financial Condition, Operating Results and Analysis of Remaining Budget were distributed at registration and are attached.
* In her review of the Financial Reports, Teresa Wilcox noted that due to the transition of Financial Managers, the 2023 insurance increase was unreported and was $2,500 more than the $10,000 budgeted. This year’s additional increase of $3,060 brings the annual insurance premium to $15,560.
* We initially had a positive balance of $5,000 in the budget, but due to the unexpected annual Insurance increase and the overages in the Pest Control and Roof & Gutter categories, that positive balance now stands at $31.00. We are currently operating within our budget and our Reserves remain strong.
* Ms. Brader informed all present that the State of NC has mandated that all NC municipalities and counties reevaluate their property values and align the taxation base accordingly. This is one of the driving force in the insurance increases.
* Given that the Insurance premium is our second largest expense, Stephanie Brader and Mrs. Wilcox will check with the insurance company for information regarding estimated percentage increases going forward; determination of premium costs in relation to a higher deductible; and shopping for comparison rates. Our current deductible is $2,500. Their findings will be presented at next year’s Annual Meeting to allow time for a voted change prior to the August renewal date.
* With the exception of the already planned 2024 capital outlays from our Reserves, any other unplanned projects will also have to come from the Reserves.
* If we continue to operate within the Budget for the remainder of 2024, we will add $12,750 to our Reserves for a projected Year End Reserve total of $48,298.83.
* Each home owner would receive a $54 discount from The Lodge if their monthly fee is prepaid. If The Lodge paid the yearly fee in advance to BMOA there would also be a discount of 5%.
* Several years ago language was added to BMOA’s bylaws during Barry Vaughn’s tenure, that a cost of living increase was to be added on a yearly basis.
* Motion was duly made, seconded, and approved for the 2025 Budget.

**UNFINISHED BUSINESS**

Ms. Rich reported on three items the Board requested from the 2023 Annual Meeting: the survey results requested to delineate The Lodge actual footprint, the outcome of the hiring of an attorney to review Blue Mountain Owners Association’s (BMOA) declarations, and bylaws as they relate to The Lodge.

* The Survey results confirm that BMOA owns all property outside of the footprint of each Lodge building. However, we have in our files the Deed that indicates the Parcel #4 is owned by The Lodge.
* Per the Attorney’s findings:
  + BMOA is a ‘super home-owners association’ to which we report and pay monthly fees and for which we have specific items paid for, including our financial manager’s fees, paving of our parking lot, snow removal, maintenance of three landscaped beds, and our fees to Roads Maintenance and Security (RMS). Out of each Owner’s monthly fee, $150 is paid to RMS. This leaves $200 from each Owner’s fee for The Lodge’s budget.
  + The monies paid from The Lodge to BMOA are being used to augment the expenses of the other four districts as identified in the BMOA Declaration.
  + In communication with the BMOA Board, it was reported by the President of BMOA that there are property owners that own one or more lots and have not been paying a monthly fee to BMOA for several years.
    - When this lack-of-payment for the monthly fees was brought up with BMOA one of the options suggested was made by BMOA to waive those fees.
    - Our BMOA representative suggested billing for the delinquent fees and if necessary, liens be put in place for future collections.
    - Undeveloped lots are charged one half of the monthly fee that developed lots pay.
  + Per the Attorney, the BMOA Declarations states that there is equity in the collection of fees, “each Owner pays the same amount in monthly Association fees”. However, in Article IV, Section 4.4 of the BMOA Declaration, “the Board may designate specified Lots or Dwelling Units as a District for the purpose of operating and maintaining specified improvements on the Common Property which primarily serves such Owners”. The cost of such operations and maintenance shall be paid by the Owners in the District and it shall be deemed a District Assessment. Based on the language in this section of the BMOA Declaration, the Attorney does not believe BMOA is following their Declaration’s intent, and likely The Lodge and Eagles Nest have been subsidizing the expenses of Districts that should have been identified as District Assessments and paid for by the Owners in those Districts
  + Currently, we pay 14.04% of the BMOA budget. Of this, we estimate that approximately $17,000 is going into BMOA’s reserves for which we currently receive no direct benefit.
  + Our Board requested copies of BMOA’s last five year’s financials and has been told that the financials and the minutes of their meetings are unavailable.
  + An outside audit has never been conducted even though this is required by their Declarations.
  + David Brown and Nancy Innof, President from Eagles Nest, plan to meet with Jack Gilbert, Treasurer of BMOA to discuss options to determine a more equitable way to address the differences between direct benefits received by our two organizations versus our fees subsidizing the expenses where these two Districts receive no direct or identified benefits.
* The Pet Policy has been created to protect The Lodge, the Owners, and their Guests. The updated policy is included with this 2024 Annual Meeting’s packet and is also on our website <http://www.bluemountainpoa.com>
  + Motion duly made by Janet Rich and seconded by Stephanie Brader to approve the proposed Pet Policy to be included as part of The Lodge Bylaws and to waive in all existing pets. Motion voted and approved unanimously.
  + All Owners will be informed that they have the responsibility of presenting this information in its entirety to their rental agency and realtors. This information will also be added to our website.

**PROPOSED CHANGE TO THE BYLAWS**

* Proposal made to change the Bylaw regarding Annual and Special Meeting of Membership (Article III, A) to read that the Annual Meeting occur no later than July 1st of the year. Motion made by Stephanie Brader and seconded by Deborah Blanchard. The motion was approved unanimously.
* Proposal to change Notice of Meetings (Article III, D) from postal notification to electronic notification. Motion made by Stephanie Brader and seconded by Deborah Blanchard. Motion was approved unanimously.
* Proposal made to change the terms of the Directors to a staggered term of two years to begin with the 2024 term. Mr. Brown will draft the language of this proposal. Motion was made by Janet Rich and seconded by Pat Maclean. The Motion was unanimously approved.

**ELECTIONS OF NEW OFFICERS**

Dave Brown, Deborah Blanchard, Janet Rich, Stephanie Brader, Ada Hall and Karen Stormer are to serve as Board Members for 2024. Slate of Board Members was unanimously approved.

**OWNERS TIME**

* Parking continues to be problematic, especially during holidays and special events at the Wolf Laurel Country Club. The suggestion was made to have available Owners present during these events and redirect non-owners to other parking areas.
* Options were offered for designating parking areas to maximize number of available spaces. Using a reflective symbol such as a flower, or a number on the curb, or a small line on the curb to demarcate the parking spaces. Karen Stormer, Ada Hall and Janet Rich are to research options. If two vehicles per unit, then the second vehicle is to park across the street. Owners will be notified and are responsible for notifying rental agents. This information will also be posted on the website.
* Pat Maclean commented on several pieces of siding that have come loose on the sides of the buildings. In addition, several boards on the stairs have come loose and there are nails sticking up that are trip hazards. Bob Walker will address this concern.

**MAINTENANCE & REPAIRS**

Bob Walker presented a listed of maintenance and repair proposals as follows:

* A proposal was tended for the cleaning and staining of the six lower-level front decks on both buildings for a price of $2,100. Recommendation was made to create a spec sheet of what we expect to be done.
  + Last year the recommendation was made to consider replacing decking and stairs with a different product that will be more maintenance free and with a longer life span. Trex has a fifty-year life span and does not require sealing on a yearly basis as lumber does. Bob Walker will obtain a price for the replacing of the six decks and a separate pricing for the stairs based on a Trex/Trex-like product.
  + Per Mr. Walker, the stairs need the treads and the stringers replaced because the current wood is split and unable to take anymore screws. Mr. Brown will contact a company that manufactures a Trex-like product for pricing and warranty.
* Mr. Walker also has a proposal from Mr. Clien to replace the center upper-deck boards which are the most deteriorated boards on the buildings. The proposal is for $8,980 and would be replaced with the same type of product.
* Mr. Walker has a price for the center concrete slab from Freddie Wallin for $20,000 to replace the concrete center section down to the sidewalk. It includes relacing and rebuilding the lower set of stairs because it will change the rise and run when the concrete is replaced. Carolina Water will help with the removal and replacement of the sewer drain cover. Bob feels the price is very reasonable and feels Wallin is the only one that can get this issue resolved correctly. All products will be considered.
* Mr. Walker has a price for resealing the parking lot and states that this will be a BMOA expense.
* Furnace Inspections are required yearly per our Bylaws. Recommendation was made for the Owners of each unit to be responsible for being available on the date(s) that Gentry schedules. The price is $175 per unit if all are inspected on the two days allotted. If done on an individual basis the cost is o$350 each. If a problem is detected by Gentry or a repair is needed, they will ‘red-tag’ the furnace and the Owner will be notified. Repairs are not included in the inspection/inspection cost and are the Owners responsibility This does not include the fireplaces. Recommendation was made to contact all Owners with the dates provided by Gentry and the Owner must be present at the time of inspection to participate in the $175 fee. Otherwise, the Owner has the option of having another Owner or a rental agent standing in for them or they can pay the $350 fee and schedule the inspection for themselves. The fee will be paid by the Association and then billed to the Owner. A certificate of inspection will be provided by Gentry as proof that the inspection has occurred. The certificate of inspection is required by September 1st, 2024 or there will be a levied fine. Again, the inspection is a requirement. Mr. Walker will set up the date for early August and notice will be emailed informing all Owners.
* Reminder was again made regarding the Amendment to the Declaration of the Condominiums as putting the onus on Owners to turn off their Unit’s water supply inside their water closet when absent for more than 2 days. Additionally, the water is to be turned off at the outside water main during the winter months when condo is empty. Guidelines were insurance recommended.

**ELECTION OF DIRECTORS**

The 2024 Board of Directors convened following the close of the 2024 Annual Meeting

The Directors for 2024/2025 are:

Dave Brown – President

Stephanie Brader – Vice President

Deborah Blanchard – Secretary/Treasurer

Janet Rich – Member-At-Large

Ada Hall – Member-At-Large

Karen Stormer – Member-At-Large

**ADJOURNMENT**

The meeting was adjourned at 11:00 A.M.

Respectfully submitted,

Deborah Blanchard

Secretary/Treasurer