CHESTNUT MOUNTAIN FARMS

HOME OWNERS ASSOCIATION ANNUAL MEETING

OCTOBER 19, 2024



AGENDA

CMF HOA Annual Meeting – October 19, 2024 – Agenda

1. Welcome and Introductions ***Bruce to activate Zoom session, welcome participants , introduce Board members, Thank Felts Family for catering and facility preparation for the meeting, remind in-person participants to sign-in and for Zoom participants to introduce themselves (name and lot numbers)***
2. Review of Meeting Authority, Quorum validation and Proxy statements submitted from owners. ***Confirm today's session as a formal Board Meeting and to encourage any online and in person participants who have not yet voted to do so so we might establish whether there is a quorum and therefore, confirm the impact for today.***
3. CMF HOA Review of 2024 Activities – (See Website in September for brief overview) ***Quickly remind the group of the website summary of activities…not reading it but suggesting the transition theme for 2024 in many activities and processess.***
4. Overview of Property Sales, Website content and usage ***Perry to lead this discussion.***

5. Update on CMF Road conditions, Common Area maintenance and Security

AGENDA (CONTINUED)

6. CMF HOA Financial Condition: (See Website before the meeting)
   a. Current Year Financial Summary – documentation posted in October
   b. 2025 Proposed Budget – documentation posted on website in October
   c. Discussion on Potential 2025 Capital Projects

7. CMF Proposed amendment(s) to Restrictive Covenants; (See Website in August for documentation of Amendments to Sections VI and VII - Architecture Review and Restrictions and Requirements for Single Family Residential Purposes.

8. Open discussion on "Barn" - Continue "Status Quo" or initiate analysis of other potential actions. (See Website for discussion documentation).

9. Follow-up on Action Plans and adjournment ***Board members share in summarizing action plans and their role on the action items.***

MEETING PARTICIPATION

- Proxy Votes and participation completed prior to the start of the meeting were submitted using the CMF HOA Website form which was available and accessible beginning August 16, 2024
- There were XX lot ownership proxy votes received
- New Votes from owners present at the meeting
- A minimum of 43 proxy votes or in person participation is required for a quorum.
- Meeting the minimum requirement for a quorum provides the authorization for action on any agenda items which require a vote of the Board:

  -Amendments to Sections VI and VII of the Restrictive Covenants

  - Amendment to Section VI –

  - Amendment to Section VII -

CMF 2024 ACTIVITIES

In Q1 2024, we began to use the revised CMF HOA website as the primary communication channel. On the site, our HOA members will access documents, pictures and videos that are frequently refreshed. For example, we posted updated information on the recovery from Tropical Storm Helene on October 3rd, less than a week after the storm hit.

On the website, we have posted and updated a document which highlights major activities involving our community month by month throughout 2024.

Rather than repeat the content already available, here are categories of what you will find on the website.

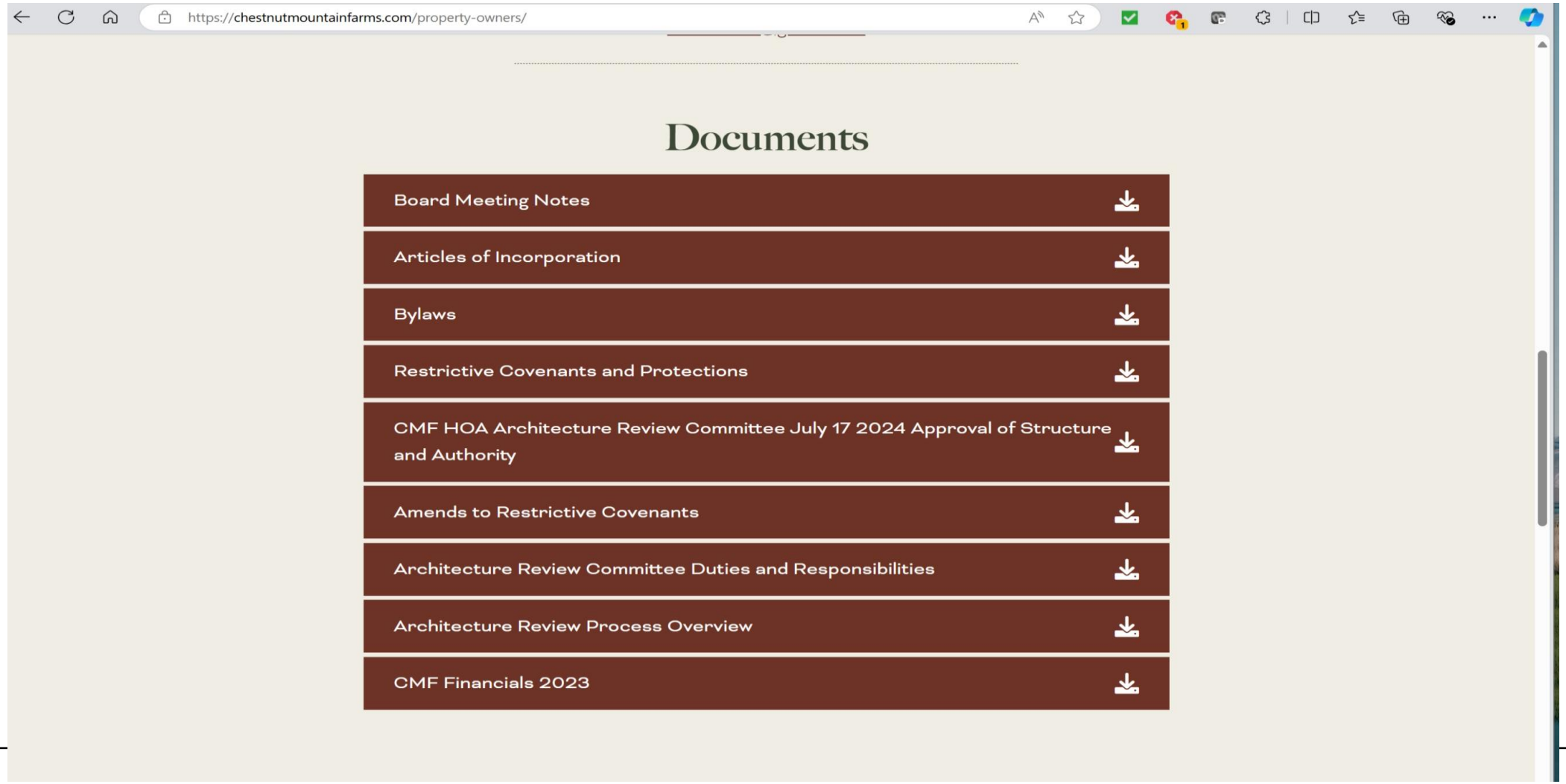
- Activities involving the financial stability of the HOA: Banking Relationship change, Pursuit of accounts in arrears through target correspondence, negotiations on accrued debt and the use of liens when all other efforts are exhausted.
- Facility Improvements: PO Box, Package Delivery Hut, Barn repairs to prevent deterioration, Water Tank preparation and installation for fire protection, essential road pavement
- Sale of HOA owned property and the title transfer of property to the HOA after negotiations on overdue accounts.
- Social Activities such as the July 4th Community gathering at the Pavilion
- Supplier/Provider negotiations and contracts; e.g. insurance policies, utility, county and state agency coordination.

OVERVIEW OF PROPERTY SALES AND TITLE TRANSFERS

Recognition of the volume and procedural steps involved in the unprecedented volume of activity during 2024.

Details to be shared, and any Q & A that arises during the discussion.

CMF HOA WEBSITE – OWNERS TAB – CONTENT CATEGORIES



CMF Owner Connections

OTHER INFORMATION ALERTS EVENTS EXCHANGE

Helene Storm Update for CMF
OCTOBER 3RD, 2024

Fire Department-Water Source Update Aug 24, 2024
AUGUST 24TH, 2024

CMF HOA Annual Meeting Invitation 2024
AUGUST 12TH, 2024

Chestnut Mountain Farms – 2024 – Brief Summary of HOA Activities
AUGUST 12TH, 2024

Barn Option and Discussions 2024
AUGUST 12TH, 2024

Article VI & VII Restrictions and Requirements – Proposed Amendment 2024
AUGUST 9TH, 2024

Community Trash and Recycling Alert
JULY 19TH, 2024

CMF HOA Fire Protection Guidelines May 2024
MAY 14TH, 2024

Gate Operations – How to exit.
APRIL 7TH, 2024

LOAD MORE

Current Weather Conditions

CMF FINANCIALS

- Current year (2024) financial results through Q3. – ***Separate Document provided***
- Proposed Budget for 2025 – ***Separate Documents Provided***
- Potential Capital Projects for 2025 and beyond – ***Listed Separately in the 2025 Budget Summary***
- ***Q&A***

CMF AREA AND ASSET MAINTENANCE

1. Maintenance of the gate area includes the control unit/keypad, the lighting on the bridge, the security cameras, the mowing and shrub, flowers, other features of the walls and grounds.
2. Mowing and tree trimming in the common areas
3. Maintenance of the underground water tank and the connection from the stream water source
4. Dumpster area maintenance – Now Twice monthly Dumpster removal for depositing at Country Dump site
5. Gravel road scraping and grading scheduled twice annually but also to address emergency conditions.
6. Oversite management of the annual repaving and patching performed by third party professional services
7. Snow plowing and salting when necessary
8. Weed protection spraying in gravel road areas and other areas where necessary.
9. Routine Barn maintenance and response to any emergency conditions
10. Routine Pavilion maintenance
11. Trail clearing and responding to the emergency clearing of downed trees, rockslides, etc.

CMF SECURITY – OUR SERVICE CAPABILITIES RELY ON EVERYONE'S AWARENESS

1. Security begins at the gate with passcode management to ensure that owners are trusted while guests, contractors, service delivery individuals have controlled access. Our frontage on Cane Creek also includes a PO BOX and a Package Delivery Locked Hut from damage or abuse.

2. Geraldine Blevins is contracted to monitor access and respond to an unscheduled arrival requesting access which will be provided if appropriate but may also require "escorting" the vehicle(s) and individuals.

3. Geraldine performs a daily driving route throughout the community's 14 miles of roads supporting our 200+ lots and common area. She is looking for risks created by natural forces or by humans and will engage with any vehicle or individual who may have questionable motives or activities while on site.

4. Home owners who will not be onsite for lengthy periods may notify Geraldine so that on the daily routes, she may more closely look for risks to the homes and outbuildings while the owners are not available.

5. In performing the security tasks, Geraldine has the authority from the Board to intervene and request individuals to follow published controls involving fire protection, trash management and trail usage.

6. When there are heavy machinery entering and exiting CMF, Geraldine may coordinate with the lot owner and contracted resource to leave the gate open for a period of time. While this is to prevent damage to the gate and entrance area, it does provide vulnerability for other entrants. An example recently as skateborders.

7. Other Security Challenges?

CMF COMMON AREA DISCUSSION – BARN FACILITY & AREA

The entrance to CMF off Cane Creek has received considerable attention over the past couple years to the core functionality: PO Box installation, package delivery hut all require maintenance and enhancements on a regular basis.

In 2018-2019 some research was initiated to assess the value of the Barn and Common grass and gravel area. From the input provided by membership to the HOA Board, there was clear guidance by a quorum of members.

- The original purpose envisioned by the Developer was not going to be realized for multiple physical and usability issues
- The HOA Membership was not supportive of conversion of the barn for a commercial interest that would involve extensive and expensive facility renovations, new overhead management costs, and most importantly, would be focused on bringing in many external parties with the security and facility potential risks that could bring on our winding roads and hidden areas.
- In 2024, the HOA Board determined that there were risks from termites and unwanted animal destruction to the facility which .if not addressed, will make the facility useful for any activities like our 10/19/2024 annual meeting. The actions included completing the concrete flooring throughout the facility and addressing further termite damage. The Board also decided that rather than rent tables and chairs for any event we approved a modest purchase.

The agenda item and the analysis uploaded to the website is intended to engage HOA member property owners in providing input to the Board regarding potential usage of the Barn Facility and acreage that will be a value to CMF property owners.

CMF HOA BOARD STRUCTURE

In 2024, the HOA Board approved establishing an Architecture Review Committee with the responsibilities and authority outlined in the original Bylaws and Restricted Covenants. Details on these roles and the procedures for review submittal are available on the website.

In 2023, the Board Representation was set for 2-year terms.

- Bruce Anderson – President; Perry Swaim – Vice President; John Belton – Treasurer; Barbara Brooks – Al-Large representative. Susan Catoe – (added to the Board to fill a vacancy in February).
- The officers have agreed to fill these roles in 2025. Susan Catoe was approved as Interim Board Secretary in July, 2024 and has agreed to fill the Board Secretary role



POTENTIAL ACTION ITEMS

1. WILKES COUNTY PROPERTY MANAGEMENT FOLLOW-UP ON RESTRICTIVE COVENANTS UPDATES
2. FINALIZATION OF THE MEETING MINUTES AND UPLOADING TO THE CMF HOA WEBSITE
3. LOT AND PROPERTY OWNER PORTFOLIO UPDATE STRATEGY (E.G. ACCURATE EMAIL ADDRESSES) MEMBERS ARE ENCOURAGED TO PARTICIPATE.
4. FINALIZATION OF THE 2025 BUDGET WITH ANY TECHNICAL CORRECTIONS DUE TO YEAREND 2024 ACCOUNTING RESULTS
5. AUTHORIZATION FOR THE BOARD TO PROVIDE MORE DETAILED ESTIMATES ON ANY POTENTIAL BARN USAGE OPTIONS RECEIVING PRELIMINARY AND CONDITIONAL MEMBER SUPPORT.
6. OTHER