

Mountainside Villas Owners Association
Board of Directors Meeting
March 23, 2013

Present at the Commencement of the Meeting: Ken Irish, Andy Blaher, Frank Spielman, Rhonda Griffith, Mary Stracener, Michael Kuzma, Wayne Shipman, Peter Stark, William Tanner and Jeff Reid

Committee Members: Roberta Prees

Representing Management: Jocelyn Carl and Jeremy Grogg

The meeting opened with a motion to approve the minutes from the November 9, 2012 Board meeting, the minutes from the November 10, 2013 Organizational Meeting and the minutes from the November 10, 2013 Annual Meeting. The motion was seconded and passed.

Executive Committee

No report

Treasurer's Report

Frank Spielman, Treasurer, stated that the reserve fund is fully invested in the ten-year program and the face value is \$1,350,000. The budget committee reviewed and discussed the monthly reports. The collections report shows collections to date at just over 80% which is approximately 1 1/2% lower than last year. In reviewing the year-end collections reports, there seems to be a slight, steady decline in the collection rate. The committee has requested additional information from management pertaining to collections so that they can analyze this a little further. The statement of operations looks good and is within budget.

Jeremy Grogg presented an update on rentals stating that February and March have far exceeded last year's rentals. Spring & pre-summer rental bookings are looking good as well.

Mr. Spielman stated that the budget committee also reviewed and discussed the draft copy of the audit which will be presented to the board for approval during new business. The proposed Reserve Fund Policy will be discussed during the Policy Committee report. Management is working on the proposed 2014 budget preparation which the budget committee will review and present a report to the board at the June board meeting.

Membership Committee

Mary Stracener, Membership Chairperson, stated that MVOA is selecting new furniture this year. Ms. Stracener presented new furniture and fabric options to the board. RCI scores are outstanding.

O & M Committee

Andy Blaher, O & M Chairperson, stated that scheduled preventive and major maintenance in the units are on track. RCI scores are solid. The maintenance department is fully staffed and the housekeeping department is beginning to hire for seasonal positions to prepare for summer. Front desk is also hiring for a seasonal position. The upgrades to the units, including a LCD television in the master bedroom, are proceeding. Due to a drop in price for the LCD televisions, ten additional televisions will be placed this year. Muffin pans are being added to the kitchen inventory. Some of the older pots and pans are being replaced. The new Jen-Aire grills look great. The committee reviewed the new PRA software which is replacing the old Win Reserve

software. Most of the inventory has been entered into the new system and reports are being generated. Financial data will be added to the PRA program as well. There was some discussion pertaining to the new PRA software. There was some discussion on the dumpsters and deck replacement. Deck replacement is on schedule.

Policy Committee

Peter Stark, Policy Chairperson, stated that he met with Jocelyn Carl and Linda Chonko to discuss the current Merit Pay Plan which was put into place in 2008. At that time, minimum wage rates were \$6.55 per hour. In 2009, the minimum wage rates were increased to the current \$7.25 per hour. Although management has been using the current rate, it has never been officially changed on the MVOA Merit Pay Plan. Management has also provided Mr. Stark with additional job classification and monetary policies information to review regarding the pay plan. He will be meeting with them next week to discuss the plan further. Mr. Stark will present his recommendations to the board at the June meeting.

Frank Spielman stated that MVOA has been operating without a formal Reserve Fund policy for years. Mr. Spielman reviewed the proposed Reserve Fund Policy with the board which has no change of existing investment procedures for the reserve fund but simply creates a formal policy for the existing procedures. After discussion, a motion was made to accept the Reserve Fund Policy as written. The motion was seconded and passed.

Great Eastern

Jeff Reid, reporting for Great Eastern, presented an update on sales stating that new construction has been stopped, with the exception of six buildings at Regal Vistas where construction will be completed. The reason for the halt in construction is to reduce current inventory that has been increasing due to owners trading in their current unit for a different unit. Unfortunately, this resulted in many long-term employees with Peak Construction being let go. Those let go were compensated with two weeks of pay for every year of service. Mr. Reid gave an update on the recent ski season. The zip lines were recently opened for the season. Refurbishments are on schedule. As of April 26th, owners and guests staying at Regal Vistas will be able to charge items to their unit. The resort is beginning to hire for seasonal positions in preparation of the upcoming summer season.

Nominating Committee

Rhonda Griffith, Nominating Chairperson, stated that the three board members up for re-election in 2013 are Andy Blaher, Wayne Shipman and Mike Kuzma.

MPOA Representative

Wayne Shipman, MPOA representative, stated that MPOA continues to work on the current pay plan for the police department.

Management

Jocelyn Carl, referred board members to her written report and added that since the last meeting, she has updated the Mountainside Villas website with new photos and the addition of the current capital plan to the owners section. An updated accommodations tour and new wildlife safety item was also added to the site. The website updates should be completed within the next few weeks. Ms. Carl presented an update on the art sale stating that there is advertising in the check-in packets and periodic advertised sales in the local newspaper. MPOA also sent out an e-mail blast about the art sale to owners. Any remaining artwork at the end of the summer will be donated to local charities.

Unit Disposition

Mike Kuzma, Unit Disposition Chairperson, reported on the recent foreclosure sale stating that Great Eastern bought forty-seven MVOA units. MVOA ended up with a loss of \$98 after the sale due to past due fees associated with the foreclosed accounts. There was discussion about establishing a minimum price for future auctions of foreclosed units that would at least cover the legal fees. There was also discussion about offering first right of refusal to Mountainside owners. There is typically a six-month period between the start of the foreclosure process to the date of the auction. Future auction dates can be posted on the website. The second batch of foreclosures was started in November 2012 and the auction will be held in April 2013 at the Rockingham County Court House. Currently, there are 180 units with collection efforts exhausted. Foreclosure processes were reviewed.

Capital Reserve

Jocelyn Carl presented the Capital Reserve Report to the board stating that most of the data has been entered into the PRA system. Ms. Carl referred board members to the written PRA report and reviewed available reports on the new software.

Old Business

Ken Irish reviewed and presented an update on the Resort Cable lawsuit. Mountainside Villas has been released from any responsibility with the lawsuit.

New Business

Frank Spielman reviewed and presented the 2012 audit draft to the board for approval. A motion was made to approve the audit. The motion was seconded and passed.

A motion was made to approve all board committees as they are currently organized. The motion was seconded and passed. Bobbie Prees introduced herself as a new member of the budget committee.

No additional business was brought before the Board. The Mountainside Villas Owners Association Board of Directors Meeting adjourned at 11:30 a.m.

Recorded by Jocelyn Carl _____
General Manager

Submitted by Ken Irish _____
Association President

Submitted by Mary Stracener _____
Association Secretary