

Mountainside Villas Owners Association
Board of Directors Meeting
November 10, 2017

Present at the Commencement of the Meeting: Ken Roko, Andy Blaher, Frank Spielman, Mary Stracener, Wayne Ford, Joanne Springer, Beth Tate, Michael Kuzma and Kenny Hess, representing Great Eastern.

Representing Management: Jocelyn Carl and Clinton Wells.

Committee Members: Thomas Little, Bobbie Prees and Lance Tate.

Visitors: Melanie Kite

The meeting was called to order by the Board President, Ken Roko. The meeting opened with a motion to waive the reading and approve the minutes from the September 09, 2017 Board meeting. A motion to amend the minutes from the September 09, 2017 meeting with the following information added. The board held general discussion requesting a Request for Proposal be placed to solicit general opinions for legal advice based on board operations to have for the board on an ongoing basis. The board held a closed session. The board agreed that there is a concurrence that the Chairman of a Committee has the option to schedule the committee meeting when it is convenient for them. The motion was seconded and approved as amended.

Executive Committee

Ken Roko, President reported that the Executive Committee took action on the following three items between the fall quarterly board meeting and the annual meeting:

Action 1 - MVOA received a political advertisement request for a board candidate be placed in the MVOA Newsletter.

- a. The Executive Board decided that it was not in the best interest of MVOA to allow the publication supporting any election or special interest campaigns.
- b. The Executive Board recommends that the Policy Committee consider generating a policy where requests for paid advertisements that are related to political ads or campaigns to include MVOA publications will not be accepted by MVOA.

Action 2 - A request was made to change the ballot formatting for the 2017 election. The Executive Board decided that such a dramatic change so close to elections would;

- a. Place a risk to the current election process without advance notification to MVOA members for such a change.
- b. Adequate instruction to our owners.
- c. If received materials were not understood, the risk of not receiving a quorum, may negate any election process.
- d. Allow time for peer review by the Board to any proposed changes to such an important process exercised by MVOA owners.

The Executive Committee referred the proposal back to the Nominating Committee for review of its recommendation and if desired, propose changes to the ballot format to the Board for discussion, as well as determining the best method to communicate any change to the MVOA ownership.

Action 3 – The Executive Committee was faced with decision to renew the employee health insurance plan based on rates consistent with our FY2018 proposed budget.

- a. The current (2017) health insurance plan was scheduled to terminate November 1, 2017 and requires several weeks processing time to complete renewals.
- b. The Executive Committee renewed the current plan utilizing the same cost sharing percentage with the employees that currently existed.
- c. As standard practice should include GoodManagement's review of our health insurance plan, a board brief should occur in March of any fiscal year with the intent on the Board making decisions in June prior to the plan year end.
- d. MVOA accepts the current twelve month plan which can be cancelled at the end of any month within that period. We should end this plan year on August 31, 2018. Three advantages: 1. we will know our future rates prior to budget approval for the following year. 2. There will be a time allowance for introduction to the benefits of lower premium cost options. 3. Health plan options can make it possible to establish health savings accounts (HAS) whereby they will be able to make pre-tax payroll deductions into their HAS for the purpose of saving for future medical expenses. The Executive committee has returned this responsibility back to the O&M AND Finance Committees for review and analysis to present to the Board recommendations for the next year's renewal options for FY2019.

A motion was made to accept the Executive Committee report. The motion was seconded and approved.

Treasurer's Report

Frank Spielman, Budget Committee Chairperson, stated that October's collected monthly CEC's was at 89.15%, .08% below last year. A new batch of foreclosed units went to auction on November 15th with a second batch at the lawyer's office that will be auctioned in early 2018. The Statement of Operations for September is showing a gain of \$89,000.00 that operations are above budget with refurbishments below, however expecting that to be utilized by the end of the year.

The 2018 proposed budget will be discussed and voted upon at the annual meeting. The Budget Committee is working on renaming some items in the budget reports for better clarification between the reserve fund and the Capital expenditures and will be further discussed at the March BoD meeting.

Discussion was held regarding the \$1,148.33 monthly courier service fee from Great Eastern and all the services that the courier provides to MVOA. The services include three different mail stop locations, banking, permits, supplies from local companies for all departments, etc. Further assessment will be completed to measure the cost effectiveness of continuing to utilize the resort courier versus hiring an MVOA employee with the added cost of a vehicle and insurance.

A motion was made to accept the Treasurer's report. The motion was seconded and approved.

Membership Committee

Mary Stracener, Membership Committee Chairperson, reported that the committee continues to work on the Living Room replacement furniture. They have looked at furniture design and eight fabrics from three companies for the sectional and chair. The one fabric selected for the furniture was outside the budget yet offered the most durability for the price. The Board discussed all options weighing the benefits of each with a motion was placed to accept the chosen fabric with the additional budget cost of \$13,000.00 placed for motion on the floor for a vote it was seconded and approved.

Our staffing needs in Housekeeping are 14 full and part-time position available with the other departments are fully staffed. RCI scores on guest comment cards as of October 31 are Maintenance at 4.5, the Front Desk at 4.8 and Housekeeping at 4.5.

A motion was made to accept the Membership Committee report. The motion was seconded and approved.

O & M Committee

Andy Blaher, O & M Chairperson, reported that units 29 & 34 have been found to have some extensive repair work, that will require work done on the beams and joists with the units being out of service until the work is complete. When the units were built a moisture barrier was not placed into the crawl spaces which has resulted in the need for repairs. The funds to be utilized for this project shall not exceed \$60,000.00 to get the units back in service. The 10 year capital reserve fund which has been built back up to a nine-year program after borrowing funds for deck replacements placed it into an eight year program. The scheduled annual replenishment to rebuild to the 10 year program may be not be able to replenish as quick as desired from the repair costs of these two units.

A motion was made to accept The O&M Committee report. The motion was seconded and approved.

Policy Committee

Beth Tate, Policy Committee Chairperson, reported that the committee continues to work on an MVOA Contracting Policy. The committee suggested to the BoD that until an independent legal opinion is obtained on the current contracting procedure that the BoD approve a temporary policy. The temporary policy would require that all board members

would be informed about all capital expenses above \$10,000. This would include the amount of the contract, to whom it is issued, and a justification for the decision to issue the contract. A motion was placed, seconded and approved by the BoD for the temporary policy. A motion was also placed and seconded to accept the committee's changes to the ballot for use in the annual election. The BoD also approved issuance of legal RFP.

A motion was made to accept the Policy Committee report. The motion was seconded and approved.

Great Eastern

Kenny Hess, reporting for Great Eastern, stated that the recently held Customer Service Training went well. Five MVOA employees were able to join them for the RCI hosted "Golden Service Together" training. The roadwork for the upgrade process to increase snowmaking capabilities is mostly complete. MPOA will soon begin the guardrail replacement to complete the project. The Waterpark will be closed for major maintenance through December 7th. Comment was made about the resort recently upgraded and expanded signage to help guests easily locate resort amenities and a request that they continue to consider a resort shuttle service.

A motion was made to accept the Great Eastern Report. The motion was seconded and approved.

Nominating Committee

Michael Kuzma, Nominating Committee Chairperson reported that everything was set for the BoD election and ready to calculate votes and announce the winners.

A motion was made to accept the Nominating Committee report. The motion was seconded and approved.

MPOA Representative

Wayne Ford, MPOA representative, reported with the street repair mostly completed and the required settling has happened that MPOA is starting the railing replacement along the road way. The Firewise Committee has been active with the fire department offering individual homes to have their property assessed for fire safety goals to keep all who live on and visit Massanutten safe.

A motion was made to accept the MPOA report. The motion was seconded and approved.

Management Report

Clinton Wells of GOODMAN Management reported that Lorri Phelps and Frank Spielman have been working on the reserve study of the financials. Nicole and Jocelyn continue to work on the collections process for accounts in arrears with Nicole diligently reporting to

the board treasurer monthly the progress of the process. While working to keep the collections accounts to a minimum. To help with budgeting the employee health insurance a change of effective policy renewal dates remains a moving target as the broker and the management team work to accomplish the goals to accommodate efficient budget planning. On a daily basis in general there are four to five employees handling MVOA business processes.

A motion was made to accept the Management Report from GOODMANagement. The motion was seconded and approved.

Unit Disposition

Ken Roko, Unit Disposition Chairperson reported at this time with the development of the agreement between Great Eastern and MVOA that there is no need for an active Disposition committee chair or committee. If and when that need may arise, the BoD will reactivate the committee at that time.

A motion was made to accept the Unit Disposition Report and reserve the need to reactivate the committee in the future. The motion was seconded and approved.

Old Business

Ken Roko, President reported that our Mountainside Villas ADA plan to accommodate guests requesting a full ADA compliant unit will be to; team with Great Eastern on a space available basis and **IF** they have a unit available, they will rent it to MVOA for an exchange fee currently set at \$229.00. We will also continue to follow the process that has been in place to accommodate our owners/guests as best as possible those that have ADA needs.

Discussion of the laundry room re-use is still in process with further review happening. The BoD is working to find a cost effective solution and will revisit suggestions at the March 2018 BoD meeting. The BoD also discussed vending/candy machine placement and profits with further research being accomplished.

Ken Roko, President read two letters addressed to the BoD from owners the concerns they had for their units requesting that they be addressed. The MVOA management team with guidance from the BoD has addressed the owners concerns.

A motion was made to accept the Old Business report. The motion was seconded and approved.

No additional business was brought before the Board. The Mountainside Villas Owners Association Board of Directors meeting adjourned at 6:25 p.m.

