

Mountainside Villas Owners Association
Board of Directors Meeting
September 09, 2017

Present at the Commencement of the Meeting: Ken Roko, Frank Spielman, Mary Stracener, Wayne Ford, Joanne Springer, Beth Tate, Michael Kuzma and Jeff Reid.

Present via telephone conference: Andy Blaher

Representing Management: Jocelyn Carl, Dale Goodman and Jeremy Grogg.

Committee Members: Thomas Little, Stephen White, Rick Sourbeer and Lance Tate.

Visitors: Margaret Little and Vicki Sourbeer

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 June 03, 2017 Board meeting. The motion was seconded and approved.

Executive Committee

No report.

Treasurer's Report

Frank Spielman, Budget Committee Chairperson, stated that the collected monthly CEC's was at 88.04%, .39% above last year and the Special Assessment at 88.31%, 1.73% behind 2016 as of August 31st. The Statement of Operations is showing that operations are above budget along with revenue showing a gross profit of \$16,000.

Mr. Spielman discussed the delinquent accounts and that the batch in foreclosure would be going to auction on November 15th. The committee has been working diligently on the 2018 budget which will be discussed in new business and wanted to recognize all the effort Jocelyn Carl put into working with the overages on the wall replacement and refurbishments to remain within budget.

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 our RCI scores on guest comment cards have been good this year with Maintenance at 4.2, the Front Desk at 4.7 and Housekeeping at 4.0. The front desk is fully staffed, with maintenance needing one technician and housekeeping is in need of two (2) full-time housekeepers and eight (8) part-time, two (2) laundry clerks, one carpet technician and three (3) part-time inspectors.

The committee reviewed feedback from email requests regarding the living room furniture replacement and the future use of the laundry room as well as other questions and concerns owners had.

The committee continues to research information on replacement of the Jenn-air grills once our supply have been utilized and the living room furniture selections for 2018. The committee is hopeful to have full reports on both subjects for the November BoD meeting.

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 all the golf carts are back in operation and running well. The maintenance department employees are now working in 'assigned' blocks/units to complete repairs and major maintenance including touch-up painting which has a direct impact on RCI scores.

The capital plan is on schedule and should be completed by year end with the one exception of the challenges with Jenn-Air grills.

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

Manager Report

Jocelyn Carl, General Manager referred to her Capital goals & completions, RCI scores, Maintenance, Housekeeping & Replacements, Personnel and MVOA Property Contracts reports. Jocelyn reported that we had a very busy summer with the staff working hard. The occupancy report showing that we had higher numbers in residence including rentals than we have in previous years. MVOA has achieved Silver Crown Status again.

MPOA has organized a Firewise Committee with members from Great Eastern, Massanutten Police Department, MPOA, the US Department of Forestry and Massanutten owners to become a certified USA Firewise community. Jocelyn Carl is representing MVOA. Their mission statement: The stated mission of the Firewise Committee is to further the Association's application to become and remain certified as a

USA Firewise Community. In the process of doing so the Committee shall educate and organize the members of the Massanutten Village community as regards fire safety, working with peer organizations, local, State and US resources to ensure that Massanutten Village is prepared to deal with a wildfire should it occur. The community of Massanutten is working to keep owners and guests safe.

A few MVOA employees participated in Great Eastern's resort wide cleanup during the summer (held several times a year), which continues to make a difference for the resort.

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

Unit Disposition

Ken Roko, Unit Disposition Chairperson reported that the semi-annual meeting with Great Eastern was held in August. The process of handling units in foreclosure is working efficiently. Discussion was held regarding the process all were in agreement, that there are no improvements needed at this time.

A motion was made to accept the Unit Disposition Report. The motion was seconded and approved.

Great Eastern

Jeff Reid, reporting for Great Eastern, stated that they will be having a mandatory customer service training for all of their employees at the end of October. The training is being hosted by RCI and titled "Golden Service Together" which will be interactive and fun with an invitation for MVOA employees to participate.

There is another resort wide Clean-up day focusing on five (5) areas, planned for November 9th with MVOA employees invited to attend. The international students have left and returned home.

The exciting new Lions Club Centennial Park at Painters Pond with a new pavilion and playground structure will hold a ribbon cutting ceremony on September 23rd. September will also bring new construction that starts late September to the breezeway into the north lobby and also on the 23rd a cleanup of the MPOA Arboretum will happen.

The November Board meeting will be attended by Kenny Hess from Great Eastern and their Vice-President/General Manager Matthias Smith providing a presentation to our members at our annual meeting on the pipeline project that has been underway this year. A motion was made to accept the Great Eastern Report. The motion was seconded and approved.

Policy Committee

Beth Tate, Policy Committee Chairperson reported that the committee completed the revision of the pet policy which has been expanded for clarity on service versus comfort animals and will be included with the registration card upon check-in. The revisions to the pet policy were presented to the Board, seconded and approved.

The committee continues to work on completing a revised contracting policy.

It has been requested to change/correct the proxy that is mailed to the ownership every fall for voting on the annual Board of Director members. There was some discussion that the ballot should be a vote and not a proxy. This will be brought before the board in November.

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

Nominating Committee

Michael Kuzma, Nominating Committee Chairperson reported that were fortunate to receive nine (9) applications for the eight (8) required candidates to fill the open board positions. Three (3) full term positions and one (1), one (1) year vacated position.

The three candidates that are running to be re-elected are: Kenneth Roko, Frank Spielman and Joanne Springer. The five hopeful to be elected to the Board are: Thomas G. Little, Paul Wolverton, Kimberly Leonard, Edmund Price and Jeffrey B. Bryant.

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

MPOA Representative

Wayne Ford, MPOA representative, reported that next week's meeting topic will be about security. The last meeting held, had a focus on bears being populous this year and encouraging residents to eliminate bear attractants.

Mr. Ford informed us that MPOA with Great Eastern's assistance built a fenced garden space and rented garden plots so that residents could have an animal safe gardening space which proved to be popular. The summer concert series was a success with many enjoying the Saturday evening programming. They also continue to discuss the health of the deer heard here within the community. Water rates continue to be a focus for the organization.

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

Old Business

Ken Roko, President reported further on the ADA/Accessibility and how MVOA will be able to accommodate guests. Board members met with Great Eastern regarding an MVOA guest requesting an accommodation for a full ADA accessible unit, that **IF** they have one available usage will be granted to the MVOA owner/guest. We are in process of discussing what is required to have full ADA compliancy and will continue to accommodate as best as possible those that have ADA needs. Board members are also researching economical/reasonable alternative(s) that may be feasible.

Discussion of the laundry room re-use is still in process. As an organization we will be making decisions to remain within our guidelines and agreements with Great Eastern.

New Business

Ken Roko, President reported that MVOA has a plaque to present to former MVOA Board President Kenneth Irish, thanking him for his years of dedicated service to the Association.

The board has been working on the 2018 budget with Frank Spielman, Treasurer reporting more detail about the proposed (Delta) increases for 2018. The Board is proposing the following increases:

The CEC (Common Expense Charges) for a 5% increase from last year to be \$25.00. A breakout by major categories is as follows showing the percentage increase over last year:

1. Activities/Recreation \$10.00, an increase of 25%
2. Wages & Benefits \$6.20, an increase of 4%
3. Water & Sewer \$4.40, an increase of 23%
4. Refurbish Reserve \$3.00, an increase of 3%
5. All Other Line Items \$1.40, an increase of 1%

In summary, the Budget Committee proposes the 2018 CEC be increased by \$25 raising it from \$495.00 to \$520.00. Over half of the \$25 CEC increase is for items that are outside of MVOA Management's control, i.e., Activities/Recreation and Water & Sewer. The increase is necessary due to an increase of \$215,165 in the net operating expenses and an increase in capital refurbishments of \$26,780 for a total increase of \$241,945 in our gross operating budget. A motion was made to the Board to present the draft 2018 budget increasing the CEC by \$25 to \$520 to the Membership at the annual meeting in Nov. It was seconded and approved.

Dale Goodman of GOODMAN Management, provided information on the proposed November 2017 Sewer & Water increases by MPSC. MVOA will work with Great Eastern on how we as an organization and resort will respond to this request. Dale also provided detailed and historical property information that the Association owns and how it is recorded with Rockingham County. He also provided information from TimeSharing Today's Resort Report Cards in which Mountainside Villas received an average score of 9.5 of 10 with resort amenities & activities at the resort, amenities & activities nearby and the unit being the scoring criteria.

Concurrent with the effort for a contracting policy, there was considerable discussion questioning whether the Board of MVOA is allowed to delegate its authority for approving contracts to the Committee Chairperson (who is a MVOA Board member) so that committee can perform its business without bringing contracts back to the Board for approval (as long as within dollar budget up to perhaps \$10,000). This will be reviewed by legal counsel that will be contracted through an RFP process. Michael Kuzma has volunteered to put together a proposed RFP for the board's consideration to solicit advice from a legal firm to review the Board's delegation authority with the by-laws of MVOA in this matter. To ensure the Board is compliant with our by-laws the Board of Directors will continue discussing annual audits of our financials and board meeting practices.

No additional business was brought before the Board. The Mountainside Villas Owners Association Board of Directors meeting adjourned at 12:15 p.m.

Amendment:

The November BoD 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

