

Mountainside Villas Owners Association
Board of Directors Meeting
September 07, 2018

Present at the Commencement of the Meeting: Andy Blaher, Frank Spielman, Mary Stracener, Joanne Springer, Beth Tate, Thomas Little and Jeff Reid.

Attendance via Conference Phone: Mike Kuzma

Absent: Ken Roko, Wayne Ford

Representing Management: Jocelyn Carl and Jeremy Grogg.

Committee Members: Bobbie Prees, Evynn Blaher, Lance Tate, Hal Hurka and Ed Price

Visitors: Margaret Little and Beverly Stern

The meeting was called to order by the Board Vice-President, Andy Blaher discussed the agenda and order of proceedings for the meeting. He then asked for a motion to approve the agenda. The motion was seconded and approved.

The meeting opened with a motion to waive the reading and approve the minutes from the June 2018 Board meeting. The motion was seconded and approved as amended.

President's Report

No report

Executive Committee

No report

Treasurer's Report

Frank Spielman, Budget Committee Chairperson, reported that the collected monthly CEC's through April was at 87.5%, .5% below last year. The Statement of Operations currently shows a net gain with the revenue a little below normal and the operations budget below anticipated costs on the profit & loss summary. The association will have another batch of units ready to be processed for foreclosure in early November.

Mr. Spielman reported that the Finance Committee discussed in detail the report provided by Will Pile of Towne Benefits the employee health benefit options for 2019. The committee recommends to the board to maintain the current offerings of a Gold & Silver plan through Anthem and to continue researching viable options that an HSA plan might offer for the employees in the future.

A motion was made to maintain and continue with the current healthcare coverage. The motion was seconded and approved.

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

Joint O&M and Membership Committee

Mary Stracener, Membership Committee Chairperson, reported she and Andy Blaher would offer the report. Ms. Stracener reported that the comment cards from weeks 21-31 showed three areas that offer opportunity for the association to improve upon in the units: furniture, lighting and deck furniture. We recently received two samples of living room furniture it was found that they will work in all units. The committee is also looking at new vertical window treatment in the units, first focusing on the large living room windows.

A motion was made to accept the change of direction in the window covering plan. The motion was seconded and approved.

Mr. Blaher reported that our RCI scores are down which is reflective of staffing needs. The Maintenance department is in need of two maintenance technicians. The housekeeping department is needing seven (7) full-time housekeepers/inspectors, seven (7) part-time housekeepers. The committee also discussed incentives to recruit and retain employees offering the example of; perfect attendance for a specified time frame and that the discussion would continue as he noted that there is a national trend that many businesses are utilizing for employee retention. One possible incentive being discussed is for an employee meeting the criteria, to utilize a one (1) week stay here at MVOA.

RCI scores on guest comment cards are down a bit with Maintenance at 4.1 the Front Desk at 4.7 and Housekeeping at 4.4.

Mr. Blaher reported that the Committee also discussed the trend that we are seeing of units being 'trashed' which requires additional cleaning time and costs being incurred. The trend seems to mostly happen in units traded into the resort, such as RCI or rentals. We have averaged 1-3 units weekly needing the extra cleaning with damage found in units. As an organization we are increasing our efforts and methodology to recoup incurred costs including those that also happen from smoking; which includes, cigarettes, cigars, vaping and other substances.

The committee also discussed the need to replace our Ford Ranger which has had three transmission replacements in two years. Management has located a replacement vehicle, a used 2009 Chevy Silverado that should serve us better with the requirements of operating on the mountainside. Then selling the Ranger for a minimum of the blue book valuation.

A motion was made to purchase the Silverado and sell the Ranger. The motion was seconded and approved.

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

Manager Report

Jocelyn Carl, General Manager reported that as of August 31 that RCI has completed their annual evaluation and in annual RCI book, MVOA will remain listed as a Silver Crown member. RCI does offer trading power which is dependent on current RCI scores up to Gold Crown status throughout the year.

Ms. Carl also reported that the Annual Meeting for 2018 will be in the MPOA building located at 3980 Massanutten Drive, McGaheysville, VA where we have held it in past years on the lower level.

Great Eastern

Jeff Reid, reporting for Great Eastern, reported that the Fall Festival is scheduled for October 13, 2018 here on the mountain and invited all who can attend to come and enjoy the festivities. All funds raised at the festival beyond costs are donated to local fire & rescue organizations. A two hour resort wide cleanup will be happening on September 27th with MVOA invited to attend to help clean the resort of litter. Great Eastern has said goodbye to the international summer students and is expecting the winter team soon that assists the permanent employees in operating the resort. Like MVOA, Great Eastern had staffing challenges with employees working 13-14 hours days during the summer months. This past Thursday on September 6th, held an Employee Appreciation celebration.

The new state of the art laundry begins their formal testing this week. The Waterpark will be closed for some major maintenance September 10th-September 30th. All outside pools will remain open through the process for resort guests to enjoy.

There was discussion about the new development of the Springston Project. Mr. Reid has a presentation that he will likely present at the annual MVOA membership meeting showing pictures of what the project could and how the buildings within the project would show outside of the kettle. The units will be similar to those currently in the Regal Vista track with selective cutting of trees and foliage to accommodate the building project. Mr. Mike Shiflet is managing the project and can be contacted for any questions. The Regal Vistas project does have approval for further development and Great Eastern has decided to place that on hold for the future.

Policy Committee

Beth Tate, Policy Committee Chairperson reported that the committee does not have any new policies in review and that they are awaiting the contracting of legal representation to review the contracting policy. The Board has chosen a firm that will be retained to help the Board of Directors in making sure that MVOA's policies and by-laws are within current laws and to protect the board members from legal liability. The selected law practice Sands Anderson is well versed in Timeshare law. The Board worked diligently to define and negotiate a cost effective package that will include: A three hour training session for Board members, a review of MVOA By-laws, documents and policies & procedures with a reduced hourly rate for other retained services. The contract is for a one year period with an option to renew.

Excluded from the contract is a possible review from an outside source of the contract MVOA holds with Goodmanagement which is to be renewed in 2020.

A motion was presented to approve the legal proposal for one year. The motion was seconded and approved.

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

MPOA Representative

No report.

Nominating Committee

Joanne Springer, Nominating Committee Chairperson reported that we received eleven applications for the three (3) open board positions. The three (3) incumbents Thomas Little, Mary Stracener and Beth Tate. The Nominating Committee selected three (3) potential candidates. The three owners that are hopeful to become a board member are, Landon Allen, Michael Blankenship and John Faruggio. The Board of Directors team encourage those individuals that applied for a board member position to also consider participating on an MVOA committee. Committee meetings are typically held the Friday afternoon prior to the scheduled Board meeting.

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

A motion was made to extend an offer for Friday evening accommodations for the candidates at MVOA prior to the annual meeting. The motion was seconded and approved.

A motion was made to extend an offer for Friday evening accommodations at MVOA prior to the annual meeting to all individuals that applied for board membership. The motion was opposed.

Old Business

Andy Blaher, Board Vice-President reported that the RFP for Legal Services was discussed during the Policy Committee report and voted on to be accepted.

New Business

Andy Blaher, Board Vice-President reported that the draft 2019 budget was completed and asked Frank Spielman, Board Treasurer to report on the budget. Mr. Spielman reported that the draft 2019 budget had been completed and the committee is recommending a CEC increase of \$15.00 per CEC as well as putting in to place a 'convenience fee' that in the past MVOA has paid when an individual pays with a debit or credit card. The committee recommends a 3.5% fee added to the CEC for a total of \$18.90 for 2019 when utilizing a debit or credit card to make a CEC payment with MVOA.

Expenses

• Wages & Benefits	\$ 6.00
• Activities/recreation	\$ 3.00
• Replacement Expenses (Capital)	\$ 3.00
• Water & Sewer	\$ 2.70
• Insurance & Taxes	\$ 2.00
• Legal Fees	\$ 1.00
• Miscellaneous	\$ 0.80
• Total Expenses	\$18.50

Revenue

- Credit Card (fees from credit processing) \$ 3.50
This is currently an expense incurred by all members, it is being shifted to the members who use the convenience of the service.

SUMMARY Expenses \$18.50 – Revenue \$3.50 = \$15.00 proposed CEC increase

A motion was made to include the credit card usage fee be included to offset a portion of the CEC increase. The motion was seconded and approved.

A motion was made to approve the recommendation of increasing the 2019 CEC for \$15.00 to be voted upon at the annual meeting. The motion was seconded and approved.

Open Floor Guest Comments

- Is it possible to place a note/notice in either the check-in packet or newsletter asking individuals if they see or hear anything that might be out of place or right? To please speak up and inform MVOA staff at the front desk.

Many owners/guests do inform the staff and we will work to add the request in our information packets provided at check-in.

- With the number of employee openings as they are – Does MVOA offer training for individuals that may not already have the experience or skillset?

Yes, our employment ad descriptions show the amount of desired experience and do state the training is available.

- The terminology used on the comment cards about exceeding expectations can be a bit confusing. If one is exceeding expectations, is that possible for a 1-5 scoring system?

Yes, many owners/guests do rate us a five (5) on their comment cards. The aggregate of all scores received is what is reported for our total score, such as our RCI rating/scorecard.

- Is it viable to offer a guest who may leave the unit in perfectly clean order, some sort of incentive?

This is under review and consideration to consider, the Board of Directors will discuss this further with management.

- Jeff Reid of GERC, offered information about how they assess and process charges made in trashed units, etc.

The Mountainside Villas Owners Association Board of Directors meeting adjourned at 12:00 p.m.