**May 17, 2014**

Shohola Falls Trails End Property Owners Association, Inc. held a Board of Directors meeting at the association building on Saturday May 17, 2014 at 9:00a.m.

**Officers Present**

President - Mike Smith

Vice Pres. – Robert Personette

Treasurer - Jo-Ann Pollack

Secretary - Wendy Glynn

**Members Present**

Iris Altreche

Lori Bush

Vinny D’Eusanio

Gerrylynn Haak

Thomas Miller

**Others Present**

Pam Valenza – Property Mgr.

Richard Henry – Attorney

William Owens – Auditor

President Smith called the meeting to order at 9:00a.m. Called for a motion to approve the April minutes

**MOTION:** Bob Personette to accept the April 12, 2014 minutes **Second: Wendy Glynn** VOTE: Abstain – Vinny D’Eusanio; Jo-Ann Pollack (not present at April Meeting) All others: Approve

Motion passed.

**Property Manager’s Report**

Pam Valenza –

* Sunday May 11th at approx. 4pm there was another fire at Trails End. The fire started outside at lot 4809 and spread to 4810 and 4811. Lots 4806 and 4807 had their siding damaged from the heat. The fire is being investigated by the State Police.
* A forester from the DCNR (Dept. of Conservation and Natural Resources) offered to formulate an emergency action plan geared specifically to TE. For them to do this we have to agree to conduct a fire wise education day – Smokey the Bear would come, etc. It could be combined with another event. Board has to approve and send in request. Board agreed.
* The burn ban is still in effect as I have been checking with DCNR and the fire danger is high due to no leaves being on the trees and the dry conditions and high winds. Will check again this week to determine if it is safe to lift burn ban
* 10 lots were issued citations for burning during the burn ban.
* Dues – As of May 15th we collected 90% of current dues and 59% of prior dues. Last year at this time 92% was collected and in 2012 91%. 94 lots have been disconnected for nonpayment of 2014 dues. As of May 15th one lot paid and was reconnected. In 2013 80 lots were disconnected and in 2012 86 lots.
* 11 lots went on individual payment plans – one lot defaulted due to a returned check leaving 10 lots on payment plans.
* 30 lots were sent letters for potential judgments that owe 2 years of dues. 5 of those have paid in full; one went on a payment plan with a signed promissory note and 2 other lots called and stated they will be sending in payment.
* Spring Mailing was done and mailed out.
* Security is going to enforce the curfew regarding common areas. Obtained a price to fence in the playground at approx. $7,000. Board agreed not to fence playground.
* The upper pool is filled; lifeguards in place; game room ready; additional security guards will be on as budgeted for.
* Gypsy Moth Spraying will be done in June – need more greenery to spray.
* Office has been collecting current registration and insurance info from property owners.
* DEP – Requested a meeting on April 30th regarding our water usage. TE is still above the 100,000 gal/day avg by approx. 20,000 gal. Everyone has a copy of how much water can be wasted with even the smallest leaks. Discussed suggestions with Dale Snyder on how to conserve water and bring the avg down. If the gallons are not brought down below 100,000, DEP doesn’t have a choice but to refer TE to the Delaware River Basin Commission. We would then be subject to each lot being metered, paying for the water in addition to astronomical application fees. Maintenance has 2 men dedicated to repairing water leaks and a min. of one employee finding leaks. (Most leaks are underground).
* Discussion held on ways to conserve water. Suggest the Board expand on hydrant regulations. If one faucet is left on during the winter, even as a trickle this can waste up to 12,000 gallons per day. Will re-visit next meeting.
* Land Company has 42 lots in inventory. Two more lots want to deed back – Board agreed to hold off on any more deed backs.
* Lot #509 – Had concerns about the new rule concerning not being able to drive golf carts at night. Board agreed to re-visit regulation.

**RULES ENFORCEMENT**

Bob Personette –

* Four grievances being held today. There are 10 pending grievances.

**RECREATION/ENTERTAINMENT**

Wendy Glynn -

* There were scheduling conflicts due to the swim championship location confusion in the beginning. New Creations DJ is no longer in the area. Still filling dates. Gerrylynn Haak is also assisting in filling dates.
* Gerrylynn Haak – needs dimensions of the area next to the playground to determine what size movie screen to purchase. Tom Miller offered to measure.

**CONCESSION**

* Ed and Elle Goswick were awarded the bid of leasing the concession for this season. They were introduced to the Board. Board has copies of menu.
* Hours will be the same as last year – looking forward to a good year

**LEGAL**

Richard Henry -

* Finished several deed backs – lots 5757, 4311 and 4312
* Was working on 11 lots that expressed interest in deeding back – 5 are now completed; 6 were sent letters to send in the paperwork or the file would be closed.
* Sent a response letter to lot 979’s counsel.
* Recording of conversations cannot be done without consent.

**Executive Session held.**

**Regular Session resumed at 11:00a.m.**

**MOTION:** by Tom Miller to amend the golf cart regulation to include a yellow beacon light be placed on top of the golf cart and to be on when the golf cart is in operation after dusk. Remove the rule that states golf carts cannot be driven between dusk and dawn. **Second:** Lori Bush **VOTE:** All in favor

**AUDITOR’S REPORT**

William Owens, CPA –

* The audit for 2013 is complete. It is a qualified opinion based on an actual cash basis as opposed to an accrual basis (potential revenue). It is a more conservative way to present the statements according to Generally Accepted Accounting Principles.
* Reviewed the Consolidated Balance Sheet. Next year will show prev. year’s to compare.
* Pleased to see our capital reserves continuing to grow.
* Debt is not significant – it is not prudent to pay off the loans (mortgage/pool loan) – it is better to save the reserves.
* It is more of a risk to buy long term CDs. If the rates rise it would cost TE money.
* Financial position has improved this year – cash has increased and debt is decreased.
* Pres. Smith asked if debt should be paid off before taking on more debt for a new clubhouse. Board should decide what is the minimum amount of funds to keep in reserves. It is more prudent to obtain a loan and keep the reserves.
* Trails End is now utilizing only the current year dues income to pay the current year expenses – not using next year’s dues.
* A 90% collection rate is very good.
* Discussed basic functions of the audit process – revenue and expense cycles are tested – dues are tracked to individual accounts to the bank deposit to the bank statement; cash receipts are checked and tracked to the deposit; dues written off for any reason are checked to ensure they are appropriate and approved. No issues were found at Trails End with any of this. Approx. 50 -60 invoices are randomly selected and checked for approval; look to see what it is – is it appropriate, check signatures, is it expensed to the proper account
* Recommendations made by the auditors in past mgmt. letters have been implemented.
* Excess income of $51,000 agreed by Board to be put into capital reserves.

**TREASURER’S REPORT**

Jo-Ann Pollack –

* Electric line was low for April the bill was paid on May 1st – The May statement will be doubled
* Sewer system – sludge was removed

**MOTION** by Vinny D’Eusanio to pay all bills **Second:** Iris Altreche VOTE**:** All in favor

**NEW BUSINESS**

* Board was given an offer for lot 803 from lot 802 in the amount of $3,000.

**MOTION:** by Tom Miller to counter the offer for lot 803 with $4,000 and authorize Pam Valenza to negotiate final amount. **Second:** Gerrylynn Haak **VOTE:** Against: Vinny D’Eusanio, Iris Altreche Approve: All others

* Golf Cart Parking – Designate a section for parking golf carts in the area of the concession dumpster – they should not be parked directly in front of the clubhouse.
* Swim Meets – after the meet is over swimmers and their families from the other community must leave – they cannot swim in our pools.
* Fence between the maint. yard and Total Recreation needs to be fixed immediately.

**OLD BUSINESS**

* Guest policy – Discussion held on guest policy
* Entrance to TE by Route 6 is dug up with cones – that is a PennDot issue. Will write the District Manager a letter to get them to repair.

**MOTION:**  By Vinny D’Eusanio to adjourn meeting at 12:30pm. **Second:** Iris Altreche **VOTE:** All in favor

Respectfully submitted,

Pam Valenza