

January 21, 2006 Minutes

Shohola Falls Trails End Property Owners Association, Inc. held a Board of Directors meeting at the clubhouse at 10:00a.m.

Officers Present

Mike Smith - President
JoAnn Pollack - Vice President
Artie Deyns - Treasurer
Maureen Miller - Secretary (via telephone participation)

Members Present

Iris Altreche
Mark Christie
Vinny D'Eusanio
Robert Personette
Wendy Purdy

Members Absent

Fred Meier

Others Present

Pam Valenza - Property Manager
Richard Henry- Attorney

President Smith called the meeting to order at 10:05a.m.

Called for a motion on the December minutes.

MOTION: by Vinny D'Eusanio to accept the December 2005 minutes. **Second:** Artie Deyns **VOTE:** All in favor

Attorney Henry verbally administered the Oath of Office to Board Members. All Board members will sign the written oath of office and keep on file at the office.

President Smith – Last month there was a discussion concerning the fire brigade and 3 bank accounts which led to the resignation of Fred Meier as Treasurer of the Board. Believes the Oath of Office and fiduciary duties were broken. Attorney Henry - Fred Meier acknowledged two accounts were invaded by individuals abetted by Fred Meier, without the Board's permission. The accounts were in Trails End's name and under Trails End's Federal ID number. The accounts were at Dime Bank and Wachovia Bank. Attorney Henry has notified the banks and the Pennsylvania State

Police. The accounts were transferred to the Trails End Fire Brigade, Inc. incorporated to a lot here in Trails End. Dime Bank has transferred back the money to Trails End. Have not had a response from Wachovia. Attempts were made last week by the TEFB to get information on the account at Wayne Bank. Fred Meier confirmed certain activity did take place that led to his resignation as Treasurer. Have to file a civil complaint against Steve and Betty Bottinelli and Fred and Arlene Meier and the TEFB, Inc. The state police want us to file a civil action instead of them being involved. The Board has to pursue and protect fiduciary duties. These transactions will affect the 2005 audit as a shortfall. The money is now being used to wage a negative campaign against the Board. President Smith called for a motion to suspend Fred Meier from the Board of Directors. Discussion. Attorney Henry – The Treasurer (Fred Meier) had vested power not to let this happen. He had signature powers. Attorney recommends the suspension. **MOTION:** by Vinny D'Eusanio to suspend Fred Meier from the Board of Directors. **Second:** Mark Christie **VOTE:** Oppose: Robert Personette All Others: In favor of. Motion passed.

At the December meeting Fred Meier resigned as Treasurer, admitted he made a mistake and offered to repay the money. Will notify Fred Meier by regular mail and proof of receipt mail.

MOTION: by Artie Deyns: for Attorney Henry to pursue legal action against Trails End Fire Brigade, Inc., Stephen and Betty Bottinelli, Fred and Arlene Meier. **Second:** Vinny D'Eusanio **VOTE:** All in favor

Attorney Henry – the Board has no choice – it is not a lot of money but the Board has the duty to protect the members for every penny.

All Board members have copies of the letters and e-mails from our insurance company when they determined the fire brigade had to be dissolved, the bank information and a letter from our auditor stating the funds are owned by the association and were obtained fraudtently by the Trails End Fire Brigade, Inc.

Property Manager's Report

Pam Valenza –

- Permanent Residents – still monitoring. Have compiled a letter to send to alleged perms (2 possible have come up this month). The attorney approved the letter and will be hand delivered by security. The letter is requesting proof of residency within 30 days.
- Dues collected – As of this past Wednesday, \$501,000 was collected. This is approx. \$100,000 above last year's revenue at this time of year. Have purchased

two repo agreements from Wayne Bank at \$100,000 each at a rate of 4.1%. They come due Aug. 1 and Sept. 1 2006.

- Auditors – have begun the audit for 2005. They were here last Wednesday gathering information and will be here additional days in the coming weeks.
- Karen Olsen is on maternity leave until May
- Insurance renewal – February 1 – Two other companies would not quote – I was told due to a yet to be settled worker’s comp case that the current insurance company has set aside \$100,000 to cover. It will most likely settle in the \$6,000 range. When doing the insurance renewals we had to determine the number of gallons of water TE was distributing annually through the wells and Clint Frisbie drew up a chart which lists the wells, their locations, the avg. number of gallons of water distributed each month. Can also see why repairing leaks are so important. Everyone has a copy.
- Scheduled the new gate card reader to be installed mid to late March. Must get a mailing out to notify all property owners. If anyone has any suggestions on what else to include in the mailing, please let us know. The cost will be approx. \$12,000 and will be paid from the Act 180 Fund.
- Discussion of Act 180 Fund held.
- Security – No citations were issued the month of December, one warning was issued for littering from a car. Lt. Perrera has developed a standard operating procedure for missing persons; all board members have a copy. Discussion – if 911 is called for a missing persons the exit gate will be closed and cars searched when leaving.
- Campsite Control – The month of December 25 new violations were issued – 10 propane tank violations, 5 plexiglas, 6 fence and 4 unregistered vehicles. From previous letters sent out, we had 17 lots comply during the month of December.
- Maintenance – 5 employees have been laid off, 4 still working one day per week. Have had snow and ice to deal with – maintenance has 42 ½ hours of overtime for plowing. A crew spent New Year’s Eve here plowing snow. Also had a bad rainstorm this past Wednesday that washed out quite a few roads.
- Drug Testing Policy – Board agreed to amend drug-testing policy to include the maintenance supervisor to be advised of the test results.
- Trailer permits – Pam spoke with Helene Manzella from Total Recreation and was told Nelia Wall stated trailer permits are being issued at this time, apparently, the moratorium was lifted.

President Smith –

Had a court date with the township on January 10, 2006. We already had a court order signed by the judge that the zoning officer had access to Trails End any day from 9am – 5pm. Now the zoning officer will provide a list of the lots he is going to, he will be issued a pass, he will not ride around Trails End to look for violations and security will still

follow him. The zoning officer has been in once since the court order was signed in November.

Legal Report

Richard Henry –

Lot 3108 case – Rich Henry came to Trails End and had a telephone meeting with Attorney Cotina (insurance attorney) regarding this case. Haven't heard anything since. Does not believe service has been effectuated on all defendants.

Received another \$900 in prior dues for a statutory lien.

Lot 4615 – Attorney Moulton wanted to amend the release to exclude a possible roofover claim against Trails End. Tired of dragging this out.

MOTION: by Vinny D'Eusanio to pursue legal action against William Weber. **Second:** JoAnn Pollack **VOTE:** All in favor

Rich Henry will send a letter to Attorney Moulton for the release to be signed.

If the release is signed, association will deposit the \$611.00 and consider the matter done.

If it is not signed, will disconnect utilities and sue for all the money owed.

Treasurer's Report

Artie Deyns – reviewed December 2005 Budget report.

Dues coming in well.

President Smith asked if the Community Property line could be more detailed or some items broken out. Will work on it with budget committee this year.

Mark Christie – asked about electric costs and property owners having spotlights on 24/7. Lighting guidelines were discussed. Other communities have instituted these due to costs and annoyance to neighbors. Will review.

MOTION: by Mark Christie to pay all bills for December. **Second:** Artie Deyns

VOTE: All in favor

Grievance

None at this time.

2006 Committees

Grievance – Iris Altreche, Bob Personette

Recreation – Maureen Miller, Artie Deyns, JoAnn Pollack

Campsite Control – Bob Personette, Iris Altreche

Real Estate – Maureen Miller, Mark Christie

Clubhouse/Entertainment – Wendy Purdy, Artie Deyns, Iris Altreche, Mark Christie

Maintenance – Vinny D'Eusanio

Sewer/Long Range Planning – Mark Christie

By-laws – Maureen Miller, Artie Deyns

Contracts & Bids – Artie Deyns, Mark Christie

Property Owners:

Ron Zapasek – Lot 3212 – Glad the website is up – submitted some new ideas and suggestions on paper for this year to improve it. Asked if the Board could include the letter from the auditor with the next mailing.

Christine Deyns – Lot 4105 – Would like to send the auditor's letter with the mailing. People called her wanting to know how their addresses were obtained.

Cathy Smith – Lot 3430 – Has heard rumors that the negative website is saying Mike Smith is a dictator when the previous Board had the proposed changes to Restrictive Covenants so the Board would take control of the Campsite Control Committee. Original Restrictive Covenants had the Board and Campsite Control as two separate entities; there must have been a reason for this. The previous administration took away the right to vote by proxy – state law requires proxy votes. The previous administration gave themselves through the by-law changes the right to vote for campsites owned by the association. Law bans the Board from casting votes for these lots. The previous administration removed Roberts' Rules of Order from the by-laws and made up rules as they went along to make things go their way; The previous administration raised the number of required signatures to call a special meeting from 10 – 20% of the membership. Law states maximum of 10% required. This current administration is trying to give the power back to the property owners.

Executive Session 12:20p.m.

Regular Session resumed 12:50p.m.

MOTION: by Wendy Purdy to give the property manager an increase of 4%. **Second:** Mark Christie **VOTE:** All in favor

Old Business

Pam Valenza – contacted William Scotsman again – the problem was due to our remote area, whose territory Trails End was in created conflict. William Scotsman sells manufactured commercial buildings. They will be here next week to meet.

Mark Christie – Asked about issuing more than 2 gate cards per lot. Perhaps issuing a gate card to each car registered at the address of the property owner so that all drivers in the family could have a gate card. Discussion. Less control over who has access to Trails End.

New Business

President Smith asked the board for suggestions on what to do with the old fire brigade building and equipment.

Fitness Center is one idea – Mark Christie suggested asking property owners to donate fitness machines they may not use anymore. Could put in a TV, juice bar, etc.

President Smith – uses his cell phone to keep in contact with the office and other board members – instead of charging Trails End the additional money, would like permission to increase the number of minutes and Trails End pay the additional \$20 or \$30. It would be much less expensive. Board agreed.

Swim Team – Due to the situation with the fire brigade, must make sure the swim team is in compliance. Will check with auditor and get recommendation on who should be signers.

JoAnn Pollack – Suggested all checkbooks should be kept in the association office to have more control on who has access to them. They are.

MOTION: by Vinny D'Eusanio to close the meeting at 1:15p.m. **Second:** Wendy Purdy

VOTE: All in favor

Respectfully submitted,

Pamela Valenza