

ENCHANTED FOREST PROPERTY OWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING

GUTHRIE LAKES CLUBHOUSE

APRIL 10, 2010

9:00 a.m.

MINUTES

Attending: Doug Schneider, Carlee Allen, Nancy Gregg, Karen Yale, Tom Goodell, Deb Noble, Laura Hodder, Jason Hoffman, Sarah Madonna

- I.** Recorded meeting notice
- II.** Call to Order
- III.** Agenda Additions/Approval
 - A.** Add property owner letter RE membership in bad/good standing
 - B.** Add to Rules & Regulations committee

Motion to accept April 10, 2010 Agenda as written by Deb Noble, second by Nancy Gregg
Motion carried 9-0

- IV.** Public Comment Related to Agenda - None
- V.** January 9, 2010 Regular Meeting Minutes

Motion to accept January 9, 2010 Regular Meeting Minutes as presented by Laura Hodder, second by Carlee Allen
Motion carried 9-0

- VI.** President's Report (Doug Schneider)
 - A.** Notice to Board that Mr. Schneider is not running for re-election
- VII.** Treasurer's Report (Carlee Allen)
 - A.** 1st quarter cash flow report distributed
 - 1.** Assoc has cash flow right now
 - 2.** Dues came in fairly well
 - a.** Some people paid full \$340 instead of \$280
 - b.** Will send letter: "you overpaid, would you like to apply this to next year"
 - 3.** Past due statements mailed this week
 - B.** No changes to budget; only changes would be due to sale of lots
 - C.** Where are we at with line of credit loan?
 - 1.** Borrowed \$22,000 to meet cash flow needs between Dec – Feb until annual dues received
 - 2.** Loan and associated fees paid in full February 2010
 - a.** \$198 closing fees
 - b.** \$247 interest

- VIII.** Manager's report (Dan Yale)
 - A.** Jason Hoffman and I looked at property on Wagner where property owner had agreement to replace trees cut down previously
 - 1.** A few planted; not close to the number of trees as agreed upon with homeowner
 - B.** What do we want to do with Mr. Warsko not planting trees per agreement?
 - 1.** Board needs to determine what follow-up action is needed
 - a.** Is it cost or other issue preventing Mr. Warsko from not fulfilling agreement?
 - b.** Has not paid dues at this time
 - 2.** Jason Hoffman suggests that Buildings/Grounds committee should attempt to talk to person before sending letter, going to next level
 - a.** Doug Schneider: we've had numerous contacts with him, attended board mtgs, etc.

3. Believe there is a site plan for where to plant trees
 - (i) Where is this?
 - (ii) Needs to be enforced, but need to talk to him first, find out background
4. Dan Yale and Jason Hoffman to talk to Mr. Warsko, report back to Board ASAP
 - a. Feedback ASAP so plan to enforce can be discussed at next board meeting
- C. Some vandalism last week
 1. Mailboxes, boathouse graffiti, broke latch
 2. Boathouse lock/door has been repaired
- D. Dumpster day on Memorial Day weekend, May 29th
- E. Boiler update
 1. Unit was checked by professionals to ensure safety
 2. 2nd heat exchanger is going; will be last piece to be replaced to complete boiler upgrades
 3. OK for summer AC, but needs to be addressed in early fall to repair heat exchange
- F. Food service class on April 19
 1. Certification will get us through next year, allows clubhouse to serve food
 2. Further discussion later on agenda
- G. May 16 is "pool school" day where they check chemicals
 1. Attend class in order to get 10% discount on supplies
- H. Do we know what prices are?
 1. Bromine is approximately \$155-165/bucket, need about 18 buckets
 2. Next closest place to get chemicals is in Saginaw
 - a. Ordering time, shipping it costs same as driving to Traverse City

IX. Committee Reports

- A. Employee Relations: Doug Schneider, Deb Noble
 1. Nothing new to report
 2. Will talk about resignation later in agenda
 3. When will we be hiring for summer, what is deadline
 - a. Usually get apps by beginning of May; will need to decide in next few weeks
 - b. Kathy Richardson has requested summer off, has been notified that job won't be held for fall
- B. Budget & Finance: Carlee Allen, Karen Yale
 1. No changes since January
 2. Will discuss dues later in agenda
- C. Military/Gov Relations: Doug Schneider
 1. Notice from Don Hart advising of range plans for April
 2. Included on public agenda as FYI
- D. Security: Karen Yale
 1. Some vandalism in last few weeks
 2. Nothing additional to report
- E. Rules & Regulations: Tom Goodell, Jason Hoffman
 1. Letter from Robin Hunter requesting that membership in good standing be reinstated
 - a. Provided letter from attorney that bank took possession of property on December 17, 2009
 - b. Initial timeline, Register of Deeds indicated that property would be turned over on June 17, 2010
 - (i) Mrs. Hunter is associated with property until that time
 - (ii) After June 18, bank begins to pay dues and bad standing would be revoked
 2. Discussion:
 - a. Mrs. Hunter currently renting another property in association
 - b. Can't be in good standing on one lot and have another in arrears
 - c. Revocation of privileges stands at this time
 3. What is procedure for clubhouse staff for children at clubhouse when family is not in good standing?
 - a. We need to notify parent/guardian; call parent and have them come and get the child
 - b. Don't deliver message to child; this is an adult responsibility
 - c. Dan to let clubhouse workers know proper procedure:
 - (i) Contact parent, ask to come pick up child(ren)
 - (ii) Don't ask child(ren) to leave w/out contacting parent
 - (iii) Don't discuss issue/details with child
 4. Will send letter that revocation of privileges remains in effect
- F. Buildings & Grounds: Tom Goodell, Jason Hoffman
 1. Request to have meetings down stairs
 2. Handicap accessibility issue; accommodations must be provided if requested

- a. Need to make request in advance of meeting
 - b. Contact clubhouse or Board secretary to request, arrange
 - G. Communications:** Sarah Madonna, Deb Noble
 - 1. Lyric went out late
 - 2. Updates needed on website:
 - a. Minutes up to date
 - b. Roster
 - c. Calendar Dates
 - d. Treasurers Rpt
 - e. Election Information
 - 3. Preparing election mailing
 - H. Activities:** Dan Yale, Jason Hoffman, Sarah Madonna
 - 1. Activities committee needs to regroup, work on unified direction for events, planning going forward
 - a. Will plan/post a meeting in next 1-2 months
 - b. Reminder that all events are public, no one should be excluded
 - 2. Have Friday Night pizza parties been going OK?
 - a. Jason Hoffman concerned that people may have felt uncomfortable at last event
 - (i) Don't believe there was any purposeful intention to make anyone feel unwelcome
 - b. Friday night group OK to continue w/ pizza party
 - (i) Need to have sign-up sheet
 - (ii) Indicate \$\$ due
 - (iii) Attendees expected to pay that amount even if they do not show up
 - (iv) Not ready to become an activities committee event at this time
 - 3. Other activities on the calendar
 - a. Dumpster Day
 - b. Memorial Day can drive to raise money for Activities Fund
 - c. Neighborhood yard sale June 12
 - (i) Will sell spots in Clubhouse parking lot for \$10
 - a) Must bring own tables; otherwise, people can set up at their own homes
 - b) Post on internet, email to EFPOA distribution list, flyers in newspaper boxes
 - c) Newspaper ad, radio
 - d. Last day of school pool party on June 8th
 - e. Annual Picnic July 3
 - (i) Legend Park beginning at 3:00 p.m.
 - (ii) Association provides burgers, hot dogs, buns, paper plates, napkins, utensils
 - (iii) Property owners bring dish to pass
 - I. Deeded Restrictions:** *Member(s) to be determined*
 - 1. Ongoing work in progress
- X. New and Unfinished Business**
- A. Legal Update**
 - 1. Kirk Yodzevicis from Byram Harrelson Haas, PLC in attendance
 - 2. Doug Schneider rec'd notice on January 21, 2010
 - a. March 4, 2010 Court of Appeals hearing for the Schilling case
 - b. EFPOA representatives didn't need to attend; BHH would attend on behalf of association
 - 3. Rec'd follow-up letter on March 16, 2010 advising of findings, recommendations
 - a. Kirk Yodzevicis advised that recommendations, next steps be discussed in closed session
 - b. Summary:
 - (i) January 2009 decision from lower court found in favor of EFPOA
 - (ii) March 2010 decision found in favor of EFPOA as well
 - (iii) Mr. Yodzevicis: EFPOA has a Court of Appeals ruling as to what deeded restrictions mean
 - a) Commercial purpose: vacation rental is considered to be commercial rental; not allowed
 - b) Gives Association the right to amend bylaws
 - (iv) Schillings have until April 22, 2010 to file appeal with Supreme Court
 - a) Attorney, Doug Schneider will follow-up after this date
 - b) Next step will involve recommendations for how to recoup association's legal expenses

Motion by Karen Yale to move into Closed Session at 10:04 a.m. to discuss legal recommendations, second by Nancy Gregg.

Motion Approved 9-0

Motion by Carlee Allen to adjourn Closed Session and return to Open Session at 10:17 a.m., second by Tom Goodell.
Motion Approved 9-0

- B. Elections**
 - 1. 2-sided mailing to property owners
 - 2. Election chairs needed
 - a. Need someone from Board to oversee elections
 - (i) Nancy Gregg will contact Beth Mogle, Sandy Sugden, Brenda Rathbun, Caroline Wilson,
 - b. Seats open
 - (i) Karen Yale
 - (ii) Doug Schneider
 - (iii) Tom Goddell
- C. Internet**
 - 1. Have some new people signing up
 - 2. Approx \$1K ahead of what we have for billing going out
 - a. Have invested approx \$15K still not recouped
 - 3. Have people not paying due to not receiving service
 - a. How many?
 - (i) Approx 4-5 not paying
 - (ii) If they don't pay, are we cutting off?
 - (iii) At end of 30 days, if bill not paid should be shut off
 - (iv) Send email notice – don't pay, will be disconnected
 - a) Do not include shut off statement on outstanding dues invoice
 - b) Should be handled as two separate items
- D. Outstanding Maintenance Dues**
 - 1. Changes to list of past due accounts
 - a. Past due accounts to pursue for liens are marked on report distributed
 - (i) 12 at/over \$1K
 - (ii) Believe we need to start foreclosure process
 - b. Are these vacant properties? Believe this is the case.
 - c. Start liens at lots \$350+ past due
 - d. Dan to check/make sure liens are current
 - (i) Will go through, look at lot numbers
 - (ii) If there is not already a lien, will put one on applicable past due accounts
- E. Request to hang public past dues list w/out names**
 - 1. Clubhouse staff receives list with names, lot numbers and amount due
 - 2. Bulletin board (public) list will only include lot number, amount due, and total outstanding due
- F. Payment Plan agreement**
 - 1. In past, association had allowed payment plan agreement for members past due
 - 2. Carlee Allen talked to Ed Doss, has copy of previous legal document
 - 3. Do we want to allow members to make payments?
 - 4. Are there enough "new" people on list to warrant considering implementation of payment plan?
 - a. Isn't # of people on list approx same number as always in past?
 - b. Is the lien more effective?
 - (i) Collection of dues has been about same since implementation of lien system.
 - 5. Has been working as it is; additional burden to treasurer probably not necessary
- G. Lot 34/Japowitz Property**
 - 1. Have received a bid for Japowitz property
 - 2. Bid from Mr. Nick Sposato
 - 3. Submitted bid 31, 500.51

Motion to accept Lot 34 bid in the amount of \$30,500.51 by Laura Hodder, second by Tom Goodell.
Motion carried 9-0.

- H. Habitat House lot request**
 - 1. Contacted Doug Schneider with request waiving fees on lot that has been donated for building HOH house.
 - 2. Doug will follow-up to advise that dues cannot be waived.

Motion to reject waiving annual maintenance fees by Laura Hodder, second by Nancy Gregg.
Motion carried 9-0.

I. Satellite TV for Clubhouse

1. When TV signal sent to digital, clubhouse no longer gets any TV reception
2. Association member Bill Brownell has dish he would donate if association wants to get satellite TV
3. Last time this was researched, Dan Yale found commercial packages available
 - a. Can limit what can be watched, who can order/upgrade packages, blocks inappropriate ratings, etc.
 - b. Estimated \$39/month at that time
4. Deb Noble to research and report at future meeting

J. Resignation letter submitted by Property Manager Dan Yale

Motion to accept 90-day notice of resignation (effective June 27, 2010) by Tom Goodell, second by Nancy Gregg.
Motion carried 9-0.

K. CM/SafeServ Food Licensing Class

1. Put class on hold so next property manager can take class instead
2. Does license certify person or business?
 - a. Certifies the person, if person taking class leaves, the next person needs to take class
 - b. Deb Noble talked to Penny Massey/SafeServ
 - (i) We can put reservation on hold; as soon as the manager's position is filled call Penny Massey with the new manager's name
 - (ii) The clubhouse can continue to prepare food as long as the new manager completes the September class
 - a) Must take class by October or can't serve food at clubhouse
 - (iii) Cannot get refund
 - (iv) Dan needs to return book, class materials to EFPOA for next person

L. Property Manager Vacation

1. Mr. Yale: Used 11 days at time of this meeting
2. Mrs. Allen: February 17 – March 1st?
3. Mr. Yale: I took off Thursday through a Monday, that is not two weeks
 - a. Two days regular days off
 - b. Vacations days and one personal day used

M. Payroll

1. Payday is June 18, paid week in advance in 2009 (27 pay period last year)
2. Will work w/ treasurer to finalize last pay date, amount of check, etc.

N. Pool supplies ordering

1. Haven't bid out chemicals in approx 3 years
2. Is there delivery for chemicals?
 - a. Dan: Delivery versus mileage, mileage reimbursement has been less
 - b. Board: Can we check w/ Traverse City pool supply company to see what shipping charges will be
 - c. Dan: If they ship, we don't get 10% discount
3. Board requests that Dan make list of supplies so options can be priced out, compared
4. Another option is chlorine generator
 - a. Uses regular table salt; electrical charge changes salt to chlorine, recycles; does not evaporate
 - b. Need to buy 4 units, cost approx double order of bromine
 - c. After 2 years, equipment is paid for, cost goes down to about \$600 approx/year
 - d. Need to apply to DEQ for permit, state must be present when pool is started up
 - (i) Process, permits take several months
 - (ii) Would start process in fall if Board is interested in this system

O. Summer Help

1. Kathy Richardson not offered summer work by Property Manager
 - a. Board concern that position was held open for employee last year
 - b. Cannot guarantee jobs when employee chooses to take summer off
 - c. Dan confirmed that he has advised Kathy that job cannot be held for her return in the fall
2. Doug Schneider: Dan will continue to make summer hiring decisions
 - a. Oversees hiring, staff management per job description
 - b. Dan: some previous summer workers have indicated they plan to come back
 - (i) Richard knows pool

(ii) Reviewing applications received for in order to make remaining staffing decisions

- P. Property Manager hiring timeline
 - 1. Need job description
 - 2. Employee Relations committee (Deb and Doug) to review, refine
 - 3. Identify what we're looking for, application/interview process
 - 4. Post position with intent to hire at June 5 meeting so new employee can train with Dan
- Q. Propane contract still under effect w/ Ferrell
 - 1. Ends June 30
 - 2. We pursue pricing at that time

XI. Old Business

- A. Deeded restrictions – continued review
- B. Capital improvements

XII. Public Comment

- A. Roger Crowe #667
 - 1. Concerning property on Wagner w/ trees cut down: Could this have been prevented? When you buy property here you are aware that you will be member of association. Sometime before date of closing, are buyers provided with an opportunity to read deeded regulations, or do we ask people to sign affidavit that regulations have been read?
 - 2. Doug Schneider: When we purchased, we knew we were buying into a community and didn't receive deeded restrictions until we closed on property. Legally when you buy, you are responsible to know what you're buying into. Know that you are abiding w/ county, township ordinances, etc. The same applies to the deeded restrictions. Question is valid: when someone purchases, the seller should make sure deeded restrictions are given to realtor. I'm not sure how we could enforce this.
- B. Jane Miller #437
 - 1. Appreciate that Board is making sure that people are made aware of things before they happen. I think it makes sense to attempt to call property owners before sending a letter, etc.
 - 2. Regarding letter from Robin Hunter's membership in bad standing: should letter be sent to both husband and wife? (Board: Yes.)
 - 3. I'm not sure what constitutes a closed session. Can you please explain what does and what doesn't?
 - a. With today's closed session, I am thinking it was pertaining to funds. Why couldn't property owners hear this discussion? What prompted today's closed session?
 - b. Doug Schneider: any issues that deal with Association legal proceedings can be considered in closed session.
 - c. Deb Noble: this is per the Open Meetings Act.
- C. Mary Ellen Gleeson #459
 - 1. Property Manager is leaving
 - a. We negotiated a propane agreement two years ago. With Dan leaving, should the treasurer be involved to negotiate next agreement?
 - b. Board: This started out as a property owner's initiative. Dan Yale and Randy Rothe initiated process. Propane contract is coming to expiration; Board will review and make recommendation prior to expiration but believe contract was initiated, pursued by property owners, not Board business.
 - 2. What ever happened with the bridge proposal?
 - a. All permits have expired; at this time, there is no bridge.
 - b. Owner would have to start entire process from beginning if they choose to pursue bridge issue again.
 - 3. Leases: does the Board require property owners to provide rental/lease contracts for review before agreeing to rental agreement? Yes, this should be the process.

XIII. Motion to Adjourn

Motion to adjourn the April 10, 2010 Regular Board meeting at 11:45 a.m. by Tom Goodell, second by Deb Noble.
Motion Carried: 9-0

Respectfully submitted,

A handwritten signature in black ink that reads "Sarah Madonna". The signature is written in a cursive style with a large, prominent initial 'S'.

Sarah Madonna, Secretary