

# **MOUNTAINSIDE RESORT AT STOWE BOARD OF DIRECTORS MEETING AGENDA**

**e-Meeting  
Tuesday, January 15, 2019 - 7:00 PM EST**

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## **I. CALL TO ORDER/ROLL CALL**

**A. Called to order at 7:04pm**

### **Board Members Present:**

Gene Brown	Steve Edwards	Judie Waldert
Inge Brown	Phil Corrinet	Jim LaPlante
Leslie Eiser		

**Not Present:** Bob Tomassetti

**Owners Present:** Mark Vandenberg – Whole Owner

## **II. APPROVAL OF AGENDA**

**A. Motion and approved by all**

**B. Gene wants to amend with one item under new business: Merrill Lynch**

**1. All approved.**

## **III. APPROVAL/ACCEPTANCE OF PREVIOUS MEETING MINUTES**

**A. December 7th**

**1. Motion: Inge, 2<sup>nd</sup> Jim – All in favor, none opposed, no abstentions.**

## **IV. PRESIDENT'S MESSAGE**

**A. Year in Review: Recapped the work done by the Board in 2018 regarding the decision to move away from VRI, researching and selecting new software, discussed the work done by staff and the bumps in the road experienced by the V12 software integration.**

**1. Noted that it's important that the Board recognizes how much we have done over the past year and recognize the challenges regarding decisions made in recent and past years.**

2. Financial Position: Discussed how we run out of money each October and spend \$150-\$175K of next year's revenue in order to close out the current year.
  1. Throughout the years of having a management company, the timeshare program continues to decline in ownership and revenue. Compensating by increasing maintenance fees.
  2. How do we generate more revenue? We find ways to use that inventory to increase revenue. Could not do this with VRI because we were paying 30% commission to them plus overhead and commission to OTA's.
  3. Bylaws and Documents reviewed by Gene: MSR2010 Project went into the red significantly. No authority in the documents giving the Board the right to do this without a vote.
  4. Be proud of what we're doing. Make sure we don't get a lot of heat where people don't understand the history and the reality of the situation.
3. Reminder that Ashley is here to be GM and has the right to manage the association with guidance from the Board. Gene reviewed some real life examples of rental program issues. Important to remember that the staff and General Manager that have the right and ability to enforce rules. Ashley needs to be able to make decisions regarding individual scenarios.
  1. With the Owners Portal, owners now have the ability to block their own unit. They are abusing this power by blocking out prime times of the year not allowing MSR to rent their unit. They will be notified by the end of the week that they will be removed from the program.

## **V. MANAGEMENT REPORT**

### **A. V.12 Update**

1. V12 Software
2. As of January 3rd, we are up and running in our new system!
3. Between 12/31 and 1/3, our staff were doing their work without an active system. I wrote up processes and procedures and they did an incredible job during one of the busiest times of year.
4. There have been some minor issues with data that did not get transferred over from VRI's system, but we have a process in place to catch any of these errors and correct them prior to guest check-in

5. Still in process:
6. Connecting to online travel agents. We were aware that we would have to work with 3rd party agents to make this connection and are in the process of doing so.
7. Once this is done, each unit will be online with an individual listing.
8. Owners Portal
9. The pictures for each listing are not currently displaying correctly. We are working with V12 to fix this issue. Once this has been fixed, owners will have the ability to see the description and pictures for their unit.
10. We will be going through the month-end process for January over the next couple of weeks. We will learn to balance the revenue and disperse it to owners.
11. Once we have gone through this process, we will work with owners who wish to have their rental revenue direct deposited.
12. Steve Edwards – would like us to come up with a different name for the software other than V12. Wants it to describe what the software does so it doesn't sound so cryptic.
  1. Inge disagrees as she knows what we are referring to when saying V12.
  2. The Board will brainstorm and we can decide at a later date.
13. Judie – Financial Update: Very optimistic as it shows that we are on track to break even as of end of November. Wanted the Board to know that we are on a good track.
14. Bill wants to know how the system is working in the office. Ashley reports that we are not quite over the hump, but overall the processes are much easier than they were with the old system.

## **B. 2017-2018 Rental Income Report**

### **1. Invoicing and Rental Revenue**

1. January condo fee invoices went out successfully from our Quickbooks account. We have had approximately 12 owners opt-in to receiving their invoices via email. This will begin in January.
2. December Rental Checks
3. After an exchange with VRI regarding the rental checks, it was decided that they would be printing all of the checks for December and mailing them to our office to then be sent to our owners.

## **VI. CONSIDER SELECTION OF A FIRM TO REPAIR THE RETAINING WALL AT BUILDINGS F & G.**

- A. Gene summarized the process we went through with the engineers regarding concerns, cost and scope of work.
- B. Jim LaPlante Question: Turner report states that the wall was constructed improperly. Is this considered in the solution for a fix? It doesn't appear to be addressed in the report from ECI.
  - 1. Steve explains that this was not indicated directly, but their solution does not require them to remove the panels and put them in. They are doing an end run around the issue.
  - 2. Steve wants us to have an engineer to look at the ECI proposal to see if it will work. Maybe Turner can do that?
- C. Discussion regarding the details of the ECI proposal.
- D. Judie makes motion Move that Mountainside Resort enter a contract with ECI Engineers Construction to installing tiebacks to stabilize the existing retaining wall at Building F & G, per their proposal emailed December 5, 2018. – ECI. 2<sup>nd</sup> by Leslie
  - 1. Discussion:
    - 1. Steve thinks ECI is the only practical solution but has concerns regarding the one year guarantee in their proposal. Inge thinks the one year guarantee is standard practice. Steve wants another engineer to look at the ECI proposal and give their opinion on whether or not this will work.
    - 2. Mark agrees with Steve that we need to get a second engineer's opinion.
    - 3. Steve wants to send the proposal to an engineer he knows personally to get his opinion.
    - 4. Vote: All in favor of motion as presented. All yes, except Steve Edwards who is abstaining.

**VII. CONSIDER WHETHER THE CONDITION AND ENGINEER'S FINDINGS CONSTITUTE AN EMERGENCY AND WARRANT A SPECIAL ASSESSMENT FOR THE REPAIR.**

- A. Judie making motion Move that the Board of Directors, Mountainside Resort at Stowe Owners Association has determined that the condition of the retaining wall at Buildings F&G and risk of imminent failure as represented by findings of a professional engineers hired to assess the wall constitutes and an emergency and warrants a special assessment to fund

the repair. Up to \$132,000\* Dollar Special assessment to be apportion based on % of ownership per the Condo Documents.

1. 2<sup>nd</sup> by Bill.

B. Discussion: explained that we are using the special assessment as a fall back plan if we cannot get funding.

1. Steve would like to consider amending the motion to show we would take a \$50K special assessment and \$50k financing.

2. Change wording in this motion to say “up to \$100,000”

3. Leslie: her observation is that this is a dire emergency and we do not know if \$100,000 is going to cover the project. Her opinion is that it would be logical to increase the amount over \$100,000 to provide some cushion so we do not have to repeat the process if this is not enough. She wants to increase the amount to \$132,000.

C. Vote: All in favor, None opposed. None abstaining.

**VIII. CONSIDER WARNING THE ASSOCIATION OF A SPECIAL MEETING TO CONVERT FROM FUNDING THE RETAINING WALL REPAIR WITH A SPECIAL ASSESSMENT TO MEDIUM TERM FINANCING THROUGH A LENDING INSTITUTION.**

A. Inge makes motion. Bill 2<sup>nd</sup>.

1. Move that the Board of Directors, Mountainside Resort at Stowe Owners Association warn of a Special Meeting of the Association, at the earliest possible date, to consider a decision to approve medium term borrowing to fund the design and repair of the retaining wall at Buildings F&G. The amount to be financed is up to \$132,000 plus fees and interest.\* The first years payments, approximately \$20,000 to come from the 2019 Capital Improvement budget in lieu of the Special Assessment approved by the Board in Section VII.

2. Vote: All in favor. None opposed. None abstained.

**IX. OLD BUSINESS**

**X. NEW BUSINESS**

A. Merrill Lynch – Resolution sent to Ashley and Steve

1. Gene gave history of our relationship with ML when we were with VRI. No way to transfer accounts. Needed to close old accounts and open new ones.
2. Needs motion to sign resolution to open 3 new accounts.
  1. Timeshare capital funds
  2. Common Area Capital funds
  3. Operating Revenue at rest – earning money for us
3. Judie 1<sup>st</sup>, Jim 2<sup>nd</sup>. All in favor.

**XI. ADJOURNMENT**

**A. Adjourned at 8:34 pm**

**XII. NEXT MEETING**

**A. February 19, 2019 at 7 PM - Teleconference**