

**BI-MONTHLY BOARD OF DIRECTORS MEETING
HIDDEN VALLEY FOUNDATION, INC.
JANUARY 15, 2010**

The January 15, 2010, Hidden Valley Foundation, Inc. Board of Directors meeting was called to order at about 7:35 PM by John Newport. Those Directors seated were:

FOUNDATION

John Newport
Bert Ries
Edwin Miller
Mauvaleen Jones
Ronald Zorn (Alternate)
Andrew Kapusta (Alternate)

DEVELOPER

Edward Very
William Doring
George Bischoff
Richard Werner

Directors Absent:

Glen Fodor
Scott Bender (Alternate)

Also present was Gregory Baker, Executive Director for the Hidden Valley Foundation. Robert "Bob" Kollar was present as Treasurer.

Miller moved to accept the agenda as presented; seconded by Very and the motion carried to approve the agenda.

Miller moved to approve the November 20, 2009 meeting minutes. Jones seconded and the motion carried.

FINANCIAL REPORT – Treasurer Kollar reported on the financial status of the Foundation based on the November and December financial reports included in the board packets. He announced that according to the reports the income and expenses are coinciding with the budget. Items he brought to the attention of the Board were the labor category which was under budget but felt it would be absorbed in the upcoming months with snow removal. He announced that the budget is over on the maintenance supplies category but there is fifty percent remaining in the overall supplies budget. He reviewed the vehicle maintenance part of the budget and recommended that the Board continue to lease Security vehicle in lieu of a purchase. The snow removal budget is \$277,000 which is broken down into four categories: plowing, shoveling, salt and anti-skid. Thus far as of January 5, 2010 \$38,663 was spent on plowing out of a \$50,000 budget; \$29,000 for shoveling out of a \$50,000 budget; salt costs were \$44,464 on a \$167,685 budget and anti-skid \$567 on a \$10,000 budget. He indicated there would be enough in the budget to cover future snow removal costs depending upon (emphasis made at the meeting) the severity of the winter and the amount of snow received. The Cash Account Balance Summary reveals the amount of funds in the bank as of December 31, 2009. The Capital Reserves show \$1,006,272.

RESOLVED: A motion to approve the Financial Reports as presented by Kollar was made by Werner; seconded by Miller and the motion carried.

EXECUTIVE DIRECTOR REPORT: Baker reported on snow removal. He stated this snow season started with a new vendor and the objective was to do the majority of

the snow removal in house; he stated with the volume of snow it could not be done in house thus, coordination and communications between the Maintenance Supervisor, the new vender, and security was lacking so Baker stated he stepped in and he became the focal point of contact to make sure snow removal was being done properly. He touched on keeping the fire hydrants open which has always be a priority but because of the problems with coordination and volume of snow and the new vender not knowing where the hydrants were located even though they were flagged. The same issue occurred with the dumpster blinds. He reported there are issues regarding snow shoveling and elaborated shoveling only occurs when there are six or more inches of snow and reminded people that we do not salt sidewalks and only one egress from the parking lot to the common walkway are opened. He reminded the audience that stoops are not opened except upon a special request. He stated the Foundation does not have the manpower or equipment to move four to five foot mounds of snow piled up along the roadways, parking lots and intersections, thus; we must rely on outsourcing the job. He suggested that in-house vs. outside contracting be weighed for cost analysis and economic reasons. Baker stated that in the event snow removal exceeds budget, the crews will continue to work and the costs will be paid out of operating budget and reserves.

He reported on delinquencies. He stated they are not at an alarming rate but they are on the rise. He stated with the procedures in place, the office is doing a very good job at collections and filing liens when appropriate. However, there are those delinquencies that are becoming challenging as the office has exhausted their means of collection. Baker asked the Board to consider using a collection agency on the Condo Associations as those delinquencies pose the most threat to the Foundation for not receiving the assessments due. Legal fees to hire a lawyer to handle these cases are astronomical whereas it behooves the Foundation to hire a collection agency for a flat rate received on the settlement. He stated a collection agency has their own group of lawyers who specialize in the collection of debt owed by people who are having financial problems, i.e. bankruptcy, divorce, foreclosures. Baker stated as far as the Foundation collections, he will ask the Board to send a delinquent account to a collection agency after the lien is filed and allow the collection agency to pursue the civil action and judgment process.

Another issue he mentioned was the two parcels that were listed for tax sale within the Hidden Valley property. These two parcels were omitted from the sale from Kettler Brothers. These parcels are green space parcels. The Foundation attempted to acquire these properties by paying the necessary back taxes and transfer costs involved with the acquisition; however, when the Tax Claim Bureau pursued the transfer they must send notification to all state and county Government bodies. Through their search, they found Kettler had failed to pay a \$9,900.00 debt owed to Bureau of PA Corporate Tax who has first lien. Hidden Valley Farm Inn, Inc. was never dissolved therefore; these taxes must be settled prior to the property transfer. The Foundation is working to resolve/remedy this issue.

Baker announced that contrary to the emails that were circulating thru the community regarding lack of insurance especially the Fidelity Insurance mentioned by one of the Condo Association Board members, the Foundation is covered with insurance. This issue surfaced due to the change in lending laws especially the Fannie Mae and Freddie Mac lenders. Baker stated that he is working on obtaining this Fidelity Insurance which only affects the Condominium Associations.

EXECUTIVE COMMITTEE REPORT: Nothing to report.

PUBLICITY COMMITTEE REPORT: Dormant Committee

COVENANT CONTROL COMMITTEE REPORT: Dormant Committee

COMMITTEE REPORTS – Architectural Control Committee – Miller, Chairperson, stated winter hours are still in affect and only one meeting will be held for December, January, February and March. Two meetings per month will resume in April. A report of ACC activity and permits granted was included in the meeting packets.

Maintenance Committee – Ries, Acting Chairperson, reported we are currently bidding the landscape contract and there are 15 prospective bidders. The pre-bid meeting was held and only one prospective bidder was present which he assumed was because of the severity of the weather. He announced the EADS Group is writing bid specs for road paving; this process is being delayed because of the weather. Once bid specs are written they will be distributed to prospective bidders for road paving. He hopes that 8 to 10 roads will be paved during the 2010 paving season expensing it out of the current budget which has an allowance of \$200,000 for paving and asked for the balance in the next capital budget. Roads will be done according to severity as per the findings of the EADS Group specifications. He stated that Baker is obtaining information for resurfacing the Highlands Tennis Courts. Preliminary numbers indicate that it will cost \$50,000 per court which includes a 25 year maintenance free surface. Baker and Maintenance Supervisor Seifert recommended that due to the increased cost of maintenance on the 2000 F350 dump truck it should be sold; the sale should include the salt spreader and plow. He stated he has compiled a list of initiatives decided upon by the Maintenance Committee and will present it under New Business.

Social Committee – Marilyn Boleky, Chairperson, reported the coffee hours will resume January 30 and continue the last Saturday of each month until June. She stated the following activities will take place: Super Bowl Party on February 7; Children's Easter Party on March 27 and Wine Tasting at the Resort Clocktower on April 24.

Rules & Regulations Committee – Mauvaleen Jones reported for Jack Mautino, Chairperson, who had prepared a report which she read. The next meeting will be Tuesday, February 2, 2010. The Election Committee Policy is being developed and is being led by Jerry Johnson and hopes to have the policy ready for adoption in the March Bi-Monthly Board Meeting. It has been brought to the attention of the Committee that the Snow Removal and Landscaping Policies need to be revisited and possibly revised. The Committee is requesting the President to instruct the Executive Director to review the current policies and make suggested changes deemed necessary then send the policies on to the Rules and Regulations Committee for rewriting and formatting. The Rules and Regulations Committee is also asking the guidance of the Board of Directors as to whether a Nomination Committee Policy and an Executive Committee Policy should be developed by the Rules and Regulations Committee. If desired, please advise the Committee by the February 2, 2010 meeting.

Audit Committee – No report

Recreation Committee – Mauvaleen Jones reported for Nancy Oppermann and reported on upcoming functions. She stated Oppermann is looking for people to help chair the functions. A flyer was available for those who are interested in the upcoming functions.

Finance Committee - Kollar reported a meeting of the Finance Committee will be held February 5, 2010. The primary purpose of the meeting is the financial review of the second quarter finances. The budget process will be discussed at that time as well. The Finance Committee is recommending to the Board of Directors to accept Angie Boyter into the Committee.

Strategic Long Range Planning Committee - Andrea Witlan reported on the homeowner' survey. She reviewed how the information on the surveys was being compiled and stated that once the report is ready with final figures and data it would be posted on the website and in the next newsletter. Baker stated that Committee has been working very diligently to come up with great ideas with the input of the homeowners. He personally thanked Andrea and Bob Bair for their work on the survey. He thanked The Buncher Company for their continued improvements. Baker stated he felt the Committee is going to be a great help to the Community for their input. It is hoped that reports will be available to the Board of Director by the March 2010 meeting.

RESOLVED: A motion to accept the committee reports was made by Miller seconded by Bischoff and the motion carried.

OLD BUSINESS -

Status of Green Space Parcels at the Heights: Miller stated those parcels in question are between the Heights and New Enterprise and landlocked and questioned as to whether those properties were worth the \$9,900 to clear the lien from the PA Department of Corporation Taxes. He was told no more monies would be distributed to clear those properties for purchase.

NEW BUSINESS –

Security Incident Reports: Baker elaborated on the reports contained in the Board packet. The year end report provided by Security and included in the meeting packets was reviewed. The security vehicle and cost of ownership vs. rental was discussed and Baker stated that for now the rental was more economically feasible. He suggested the next time the Security Bids are obtained the specs should include a vehicle. A suggestion was made to see if a rental vehicle could have a roof rack then the security light bar could be mounted on the roof rack.

Appointment of Board Positions: Recommendations for Board Appointed Officers were as follows: Bischoff nominated John Newport as President; seconded by Very: Roll call vote: yes votes were Very, Werner, Bischoff, Doring, Jones - no votes were Miller and Ries. The motion carried.

Bischoff nominated Bert Ries as Vice President; seconded by Werner and the motion carried.

Bischoff nominated Richard Werner as 1st Vice President; seconded by Very and the motion carried.

Bischoff nominated that Robert Kollar remain as Treasurer; seconded by Very and the motion carried.

Werner nominated Mauvaleen Jones as Secretary; seconded by Bischoff and the motion carried.

Approval of the Committees:

A motion was made by Jones to approve the Committees seconded by Doring.

DISCUSSION: Ries expressed his concern regarding those committee members who have not signed the Conflict of Interest Policy. Newport stated at the last Board meeting that the Conflict of Interest Policy needs to be revisited. He stated we need a policy but felt it needs to be written in a more "friendly" manner. He asked if it was necessary to have all committee members sign that policy. Ries stated he would vote against approving the Committees if they didn't sign the Conflict Policy. Baker explained what he felt was the reason some of those did not sign the statement. Werner stated that he felt it needed to be signed. Kollar asked the Board to accept the Committees as they are today and suggested the Audit Committee to revisit this policy and possibly rewrite it. Ries stated that if we have the policy is intact and written the way it is he feels all need to sign it. He would be comfortable having only the Board sign it.

RESOLVED: A motion was made by Miller to approve the list of Committees with the exception of those who did not sign the Conflict of Interest Statement; seconded by Ries and the motion carried.

Timing of the Newsletter: Baker explained that having the newsletter published the same month as the Bi-Monthly board meetings detains the publication of the newsletter because of the Resident's Time needing to be published. He asked the Board to consider either eliminating the Resident's Time Minutes from the newsletter or have the newsletter published on months opposite the meeting dates. This discussion will be taken up at a later date.

Security Vehicle: It was agreed the Security Vehicle will continue to be leased until a new contract is negotiated in November 2010.

In Line Filter for the South Ridge Pool: Baker stated he received only one estimate for in line pool filter at a cost of \$1,905.00 installed.

RESOLVED: A motion was made by Miller to approve the installation of the in line pool filter; seconded by Very and the motion carried.

2000 F-350 Ford Dump Truck: Ries stated he would like to see this truck sold.

RESOLVED: A motion was made by Ries to have the Executive Director advertise this truck for sale at a price to be set by the Executive Director and approved by the Board. The truck will be sold complete with the dump bed, plow and salt spreader; seconded by Miller and the motion carried.

Sale of Old Security Vehicle (Jeep Liberty): Ries said the Executive Director indicated in the last Maintenance Committee meeting that Bruce Ohler was interested in buying the old security vehicle that has been sitting idle since November 2008 with the bad motor.

RESOLVED: A motion was made by Ries to sell the old Security Vehicle (Jeep Liberty) to Bruce Ohler at the price negotiated between Ohler and Executive Director Baker and approved by the Board of Directors; seconded by Miller and the motion carried.

Lease vs. Purchase of a Security Vehicle: This topic was touched on earlier in the meeting in that it is more feasible to continue leasing a security vehicle rather than purchasing a vehicle for security purposes until the contract with Allied Barton Security expires.

A motion was made by Ries to direct the Executive Director to make a recommendation on lease vs. purchase a security vehicle since this issue has been on record since March 2008. (No second on this motion or vote; therefore the motion was dropped).

Maintenance Committee Initiative List: These stipulations and initiatives to be pursued are:

1. Develop a comprehensive written plan to address issues indicated in the EADS report including but not limited to: A) Address water and drainage issues indicated by the EADS Report, B) Create a preventative maintenance plan to address pothole repairs, crack sealing and the ongoing preservation of the current system or roads owned by the Hidden Valley Foundation, C) Proceed with the repairs as recommended to the first 8-9 roads listed by Condition Rating in the EADS report, D) Create a 5-6 year plan to preserve the remaining 50 roads and parking areas indicated in the EADS report by either preservation by tar and chip or 1 1/2" over lay. NOTE: All roads owned by Resort or Private Individuals should be excluded from this plan.

2. Develop a comprehensive written plan for the removal of all "stumps/dead trees/ debris" on Hidden Valley Foundation (HVF) Green Space.

3. Develop a comprehensive written plan for continuation of berm work/winter turf repair on sides of all roadways under the ownership of the HVF.

4. Develop a written plan for the "improvement/replacement/construction" of "restroom/locker room/shower room" facilities at the South Ridge Center.

5. Develop a written plan for the HVF Office with suggestions for need of expansion of office space, plan for storing HVF documents and old records, provisions for providing additional space for Foundation activities, etc.

6. Develop a written plan for the "replacement/rejuvenation/construction" of the Highlands Pool.

7. Develop a written plan for the "improvement/replacement/construction" of "restroom/locker room/shower room" facilities at the Highlands Pool.

8. Develop a comprehensive written plan to address the drainage problems on all properties owned by HVF. This would include any problems that exist that have not been identified in the EADS road study.

9. Develop a comprehensive written plan for the "improvement/installation /rejuvenation" of all current and future recreational areas controlled by the HVF>

10. Develop a written plan for the improvement of single-family homes/grounds.

11. Develop a comprehensive written plan for the current Maintenance Facility and Maintenance Staff with suggestions for improvement and reasoning behind bringing more work "in house" vs. contract work.

12. Revise the current Snow Removal/Snow Shoveling Policy currently in effect.

13. Revise the current Landscape Policy currently in effect.

14. Propose a plan for the "repair/replacing/resurfacing" of the Highlands Center Tennis Courts.

15. Develop a comprehensive written plan for widening, and paving all of the walking paths and paths leading to condos and townhouses with an effort being made to eliminate steps whenever possible.

16. Develop a written plan for the calling in of outside contractors for the removal of snow and other services as required during off hours and weekends when the HVF staff members are not available.

17. Executive Director should develop comprehensive written plans for any other initiatives that he/she feels there is a need to undertake during the 2010 year.

RESOLVED: A motion was made by Ries to have the HVF Board of Directors approve the list of initiatives listed above for implementation in 2010. The list of initiatives was compiled from lists of submitted by the Maintenance Committee. The plans for these initiatives should be prepared by the Executive Director and submitted to the HVF Board of Directors for approval prior to the preparation of the fiscal 2010/2011 budget; seconded by Very. AMMENDED BY MILLER to state that approval should be during the March Bi-Monthly Meeting and the motion carried after the amendment was made.

Sale of the Line Painter and Outsource Projects: Miller stated over the last 6 years the philosophy was to bring all maintenance in house. He said that has not worked and asked that the Board change that philosophy and try to outsource major projects to contractors who have necessary supplies and equipment to handle particular jobs. Ries pointed out that this is covered in item 11 of his initiatives listed previously in these minutes.

RESOLVED: A motion was made by Very to sell the line painter; seconded by Jones and the motion carried.

The next bi-monthly meeting will be March 19, 2010 at the South Ridge Center Great Room at 7:00 PM. The meeting adjourned at approximately 9:07 PM.

Prepared by Victoria L. Baughman, Administrative Assistant - Proofread and edited by Mauvaleen Jones, Board Secretary

SUMMARY

January 15, 2010

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