

**MAMMOTH POINT HOMEOWNERS ASSOCIATION
BOARD OF GOVERNORS MEETING
November 5, 2011 – Mammoth Point Unit #131
FINAL**

1. General

- John Sorcinelli called the meeting to order at 3.34 PM. The following Board members and Management were present or absent.

PRESENT: John Sorcinelli – President (JS)
Charles Tucker – Vice President (CT) by phone
Rex Lake – Secretary (RL) by phone
Mike Newton – Treasurer (MN) by phone
Eric Schmitter (ES) by phone

Steve Black (SB) – Mammoth Reservations Bureau
Dustin Osborne (DO)– on site Manager

ABSENT: None

2. Meeting Minutes

- The minutes for the Board Meeting held on September 3 were reviewed and adopted. Motion (MN), Second (CT), motion carried unanimously.
- The minutes for the Organizational Board Meeting held on September 4 were reviewed and adopted. Motion (MN), Second (CT), motion carried unanimously.

3. Financial Report and Budget (MN)

- A review of the 2011 year-to-date financial results and projected final results showed that revenues will be on budget, and administrative expenses will be very close to budget. Maintenance and supplies expenses will exceed budget by approximately \$6,800 due to expenses related to snow removal and snow damage to the Manager's Unit roofing. Utilities expenses will be slightly under budget. The overall net result of 2011 operations for the year will be a deficit of approximately \$7,700.
- The draft budget for 2012 was presented for review. Highlights of the proposed budget were as follows:

- Administrative expenses are budgeted to be approximately \$4,800 below the 2011 budget based on projected savings in insurance and reserve study expenses.
 - Maintenance and supplies expenses are budgeted to be \$6,000 above the 2011 budget based on actual expenses experienced over the past two seasons relating to higher fuel and repair costs on the loader.
 - The utilities budget for 2012 is unchanged from the 2011 budget.
 - Based on the draft budget, projected 2012 results would be a deficit of \$4,264 based on current operating assessment revenues.
- The revised Reserve Study completed in October 2011 re-evaluated the remaining life and estimated replacement cost of all significant association assets as required by law. Revisions made this year take into account the major improvement projects completed since the last revision, including replacement of the spa, repainting of the entire project, and replacement of decks, stairs and railings. The overall conclusion of the revised study is a recommendation that we increase the annual contribution to the association replacement fund from the existing \$74,863 to \$79,487 in order to cover projected future expenses.
- Based on the draft budget for 2012 and the revised Reserve Study, Buttner Homeowners Services (our accounting firm) has recommended an increase in assessment of 3.5% for 2012 in order to cover budgeted expenses and replenish reserves at an acceptable rate.
- A motion was made to approve the 2012 budget as presented. Motion (CT) Second (ES) Approved unanimously.
- Based on the above factors, a motion was made to increase the 2012 assessments by 3.5%. This increase is projected to contribute the \$4,264 to operating revenues to balance the proposed 2012 budget and also contribute an additional \$5,027 annually to the reserve fund to follow the recommendation of the Reserve Study. This would increase the monthly assessment for 4-bedroom units by \$25 to \$756, and for 2-bedroom units by \$18 to \$540. Motion (MN) Second (RL) Unanimously approved.
- In fall and winter of 2010/2011 heavy snowfall removal and repair expenses necessitated loans be executed from the Reserve Fund to the Operating Fund. The current balance is \$25,000. The board will continue to monitor this and take action to repay the outstanding loan either over a period time or through a homeowner assessment

4. Management Report (SB and DO)

- Regular monitoring of the upper parking lot retaining wall has been resumed and results are being recorded. So far no new movement has been recorded.
- Building water turn-off valves will be tested and evaluated for replacement based on the finding that the valve for Units 133-136 appears to be frozen. These units each have individual unit turn-off valves so there is no immediate need to address the problem.
- The survey of water heater ages is nearly complete. Once it is completed, owners will be notified of the age of the heater in their unit. A motion was made that owners be advised to replace the water heater in their unit when it approaches its maximum age of 15 years. Motion (RL) Second (CT) Unanimously approved.
- A total of 7 firewood blankets have been distributed to owners so far. Buttner will be notified to bill the owners involved for the cost of the blankets.

5. New Business (JS)

- A proposal from Suddenlink Communications (formerly NPG) for a project-wide contract for Cable TV service was considered. If we obtain 85% participation of owners, the cost for the basic Cable TV package will be approximately 35% cheaper than the cost on an individual basis. Owners will be surveyed regarding their interest in participation in the program. If it is implemented, the basic cable cost would be paid by the association and added to the assessment for each unit.
- The new Mammoth Point Web Site is up and running. It will be used to post news about the project and Board minutes and other official documents.
- The Reserve Study is still undergoing minor revisions. It will be considered for final approval at the next Board meeting. A motion was made to approve the existing version of the Reserve Study subject to any final revisions. Motion (CT) Second (ES) Unanimous approval.

6. Old Business (JS)

- Repairs to the snow damage to the roof on the manager's unit are now complete. Final costs were approximately \$3,500 for structural repairs plus \$850 to roofing repairs.

- The letter to the Town of Mammoth regarding the gate at the top of John Muir Road was reviewed and approved. The letter will be signed by JS and forwarded to the relevant Town agencies.
- Work on stairs and railings have been completed for the season. The final cost was approximately \$30,000, well below budget.

7. Next Meeting

Scheduled for March 3rd, 2012 at 4:30 PM in Unit 119.

8. Adjournment

Meeting adjourned at 5:12 PM

Rex H. Lake
Secretary Mammoth Point HOA
(lakefam@sbcglobal.net)

November 11, 2011