



**Board of Directors Meeting
May 19, 2018**

Board Members Present:

President Pat Leach, Vice President Sallie Halverson, Secretary Doug Allen, Bud Morice, Tom Fanon, Cathy Bess, Brenda Tuck

Resort Manager:

Carrie Tainter

The President of the Board opened the meeting at 10:00 a.m. in the Monroe Room at Lake Expo with several owners present. The President ask the owners if there were any questions or concerns for the Board or Resort Manager.

The Resort Manager opened the meeting by stating that up to 3 days ago they thought they were going to be on time with the pool project. She did not think they were going to make getting the pool done by Memorial Day at this time because of the rain the last three days. Tom Fannon explained there were 82 days below the temperature to pour concrete, 50 days of rain and 2 days of snow so there were 135 days of unproductive work because of the weather, it is doubtful that the pool will be ready by Memorial Day. The Resort Manager and the Board apologized but they cannot control the weather.

This winter the following projects were completed:

15 to 20 RV units were worked on such as new floors, walls, appliances just whatever was needed in the units.

Totally rehabbed and gutted 4 condos which means new flooring, lighting, appliances and installed new flooring in 8 condos. Also purchased new hid-a-beds, box springs and mattresses, along with new furniture for the living rooms.

33 plus condos were painted

Placed new flooring, painted, and some new furniture in the lake house.

Dredged out several areas of the lake. The weather has been an issue on trying to smooth out the dirt.

One board member advised she thought they had done a wonderful job on the lake area.

The Resort Manager advised there will be some changes at the entrance coming in and out of the resort but she did not have a completion time frame.

The Resort Manager voiced a concern of how to notify everyone that the pool would not be done by Memorial Day. She advised not everyone is on the internet or Facebook. She did not want the owners coming out expecting the pool being done and find it still under construction. Carrie did advise reservation was going to attempt to call anyone with reservation to let them know the status of the outdoor pool.

Carrie and Tom Fannon introduced Carrie's new Assistant Resort Manager Leanna Dalton to the owners that were present. Carrie advised that if you are not on Facebook or on the Lost Valley group contact Leanna to get in the Lost Valley Group. This way you can get the correct information and know what is going on at the resort.

The Resort Manager wanted to remind everyone that 75% of the staff are new to the resort and be patient with them while they are in the learning stage of the job.

The board wanted to thank Leanna for the great job she has been doing on the social media in notify and answering the owner's questions.

The President asked the owners that were present if they had any question for the Board. Below are a list of questions and concerns:

One member asked about why the dues were increased over the last several years. The board members explained that the question had been answered several times at the last board meetings along with other information that had been mailed out.

A discussion was held on the amount of dues and memberships at the resort. The Board President explained that the resort has to met the operational expenses of the resort. The Board President explained that Lost Valley does not borrow money to run the resort. So, the only option to stay debt free is to cut out some of the operations at the resort or raise the owners dues to cover the expenses.

An owner asked if there is any money placed in a capital improvement fund. The board explained yes 3% is taken out of the maintenance fees and placed in the capital fund. The money in the fund has been spent to paint the condos and do other improvements around the resort.

There was a discussion on the associates members and what the bylaws say about the associates.

A question was asked of the Assistant Resort Manager regarding the answers she gives to owners on Facebook. The owner was concerned if the Assistant Resort Manager were to leave would the answer still be available on Facebook since the answers are in her name. The Assistant Manager confirmed yes, the answers would still be available since it is the Lost Valley Facebook account.

There was a discussion about the bad reviews some individuals are placing on line that could hurt the number of new members that may want to become owners of the resort. The Board and the Assistant Resort Manger ask that it would be in the best interest of the resort that when possible to please start placing good comments on the websites.

One owner made the comment that the problem may be the \$1,500.00 it cost to transfer the ownership deed to a new owner. The board explained that that fee is set by Mid America Resorts and goes directly to Mid America

Resorts. Lost Valley Board has nothing to do with setting that fee. Lost Valley does not receive any money from the transfer fees.

There was a discussion that it is cheaper to get a membership out of the paper and pay the \$1,500.00 transfer fees than buy it direct from Mid America Resort for approximately \$7,000.00. A Board member advised \$1,500.00 does pay for all of the personnel time to check references, setting up the meeting and required paperwork.

There was a discussion on the voting process on what it takes to make a bylaw change. The Board President advised it takes a 2/3s vote of the entire membership. The last time this was tried only a small number of owners returned their replies and it was very expensive to send out the ballots. The same issue occurred on trying to find out how many owners were over 65 years of age. Only a few owners replied so as of this date the board still has no ideal of the number of owners over 65.

One owner advised he had a time share and it does not cost him as much as the maintenance fees at Lost Valley but it was pointed out to the owner he could only use his time share once or twice a year but he can use Lost Valley 365 days in a year.

The Board President advised the owners there is a short fall of funds on the waste water treatment plant right now. Once the treatment plant and pool is paid for the board had voted to take the maintenance fees back to where they were before the pool and treatment plant issues came up. There is no guarantees but that is the boards intentions.

The Board President advised there are approximately 2,000 owners that are not paying their maintenance fees which is causing the short falls. The owner asked if the non-paying owners are still allowed to use the resort? The answer is no. You must have your maintenance fees paid to use the resort.

One owner asked how many active owners we have. The board advised about 6,500 paying owners.

An owner asked what is being done to collect the late fees. A board member advised Lost Valley Resort tries 3 times to collect the maintenance fees. After that it is sent to a collection agency which also starts affecting the owners credit scores. After about three years if the owner has not paid the maintenance fees then the collection agency attempts to make a settlement with the owner and they are written off of the books, or the owner may choose to get caught up on the maintenance fees and continues paying the maintenance fees.

There was an owner that had concerns about the sales men he had dealt with a few years ago regarding promises they had made. The other issue the owner brought up is dealing with the lodge building.

The Board President advised the owner that sales are handled strictly by Mid America Resort and that the Lost Valley Board has nothing to do with sales. A board member did advise that if Mid America hears that kind of behavior the salesmen's contract is terminated immediately. Other owners advised they had talked to several sales personnel and they were very nice to them.

An owner had a concern regarding the size of the pool and the Resort Manager advised the pool is almost 400 square feet bigger than the old pool. There is a zero entrance to get into the pool so handicap individuals and children can enter the pool safely. There is also a shallow area so small children can play in the pool with their parents.

One board member advised she had little ones and she was happy there is an area in the new pool for toddlers. She advised in the old pool setup, the children would run back on forth from toddler pool to the big pool which was always a concern.

One owner did advise he thought the board members were doing a great job.

An owner ask how short on money is the resort funds going to be on the treatment plant. A board member advised at this time it appears the funds maybe around \$240,000.00 short.

An owner asked how many owners were lost in 2017. A board member advised approximately eight hundred but some of those members were all ready in the collection agency. The board member advised he did not have the information in front of him but he stated approximately two to three hundred. That is revenue that was lost.

There was a discussion on how long someone would have to wait after a tour to purchase a ownership from somewhere besides Mid America. A board member advised the bylaws says as long as the developer has ownerships to sell then, you cannot buy anywhere else forever. The developer had clarified the forever to two years after a tour is given to an individual. After the two-year period then an individual could purchase an ownership out of the paper but would still be subject to the transfer fees.

There was also a discussion to see what can be done to increase the ownership.

An owner asked if Lost Valley is going to bring the tire swing back to the lake? The Resort Manager advised the insurance company stopped the tire swing operation. The owner also asked about the slide and the Resort Manager advised that the last two years it has been cost prohibitive. Maybe the slide can be replaced next year.

An owner also asked when the walk bridge will be opened. The Resort Manager advised it should be opened today they were just waiting for the bridge to be painted before it was opened.

An owner asked why we are short of funds for projects. The Board President advised that the math that was used was correct but there is no way to calculate how many owners in November are not going to be paying the maintenance fees.

A board member did advise that a list of projects are put together by the department mangers and then that list is present to the board of directors to review.

An owner asked about the progress of the new waste water plant project? A Board member advised that DNR has approved the design process. The sewer treatment plant engineers are going through the final design process. In the next month are two the engineers and DNR will walk through the design area. The Board member did advise the plant will not be none by November 2018 but the State of Missouri is ok with that since they have seen the design and they are seeing progress on the project. Now it is all of the permit application progress and surveying of the plant area that is going to take up more time.

There was a discussion on the geese issue on the resort. The Resort Manager advised she had contacted the Conservation Department on the proper way to have the geese removed. She also advised it is very costly to get rid of them. It cost approximately \$3,000.00 along with \$100.00's of dollars per bird to get them rounded up and moved to a different location. It is not in the budget at this time to have the birds removed. The states minimum is 100 geese.

An owner advised years ago staff would blow a whistle at the pool and have the children in the pool get with their parents to be sure there were no kids alone. The owner asked if they still do that? The Resort Manager advised they still do that on major holidays. She advised the employees watch the pool all of the time watching for the adult and children ratio.

There was also a discussion on the activities staff not watching the people in the pool. An owner advised she was at the pool last year on the 4th of July from 9:00 until 4:00 and at no time did activities staff walk around the pool. There were people drinking beer and eating ice cream in the pool. The staff stayed in the office. The Resort Manager advised the staff will be walking the pool this year. The owner also advised she agreed it is a good ideal to blow the whistle to check that the children in the pool match up to an adult.

The Resort Manager advised when the new pool is completed that the eating and smoking area will only be where the old tennis court fenced in area was. There will be umbrellas and concessions also in this area. The area will be the size of the old tennis court.

Just a reminder to pickup after your pets. Also, the \$10.00 dog fee is in the resort rental units only not in your own personnel unit.

A board member wanted to remind everyone that the Ways and Means Committee will be raffling a quilt during the Memorial Day weekend. Also, if anyone is available to help out like painting or other jobs at the resort it lets the staff do other things that need to be done. The money that is being raised by the Ways and Means Committee is to help purchase new play ground equipment and help activates out.

An owner wanted to thank the gentleman moving the campers on and off sites and maintenance crew for doing a great job.

The open meeting went into the closed session at 10:45.

The Board President opened the closed session and asked if there were any question regarding the minutes that had been approved electronically by emails in January 2018. No concerns were brought up regarding the minutes.

The Board President started a discussion and some clarification on the budget. There was a question on what happens to the maintenance fees that are paid when an owner sells his/her or transfers the ownership and catches the fees up. Where does that money go? A Board member advised that money does go into the general revenue of Lost Valley Resort but it is not usually a large amount.

A Board member asked how much money the resort made on the logging done around the resort. A board member advised around \$20,000.00 that went into Lost Valley general revenue.

There was a discussion on the benefits the owners get with their ownership compared to other events in the area such as the zoo are the cost to spend just one night out.

There was a discussion on the 21-year-old associate rule according to the bylaws.

A motion was made by Sallie to have a budget workshop meeting in October so the owners can be given an early notice on the 2019 maintenance fees. The motion was second and all board members approved the motion.

Old Business:

The WiFi project updating is still on hold until funds become available.

Status on the research on the handicap accessible door at Lake Expo. The Resort Manager advised she was looking into the cost of updating a door.

The Resort Manager advised they are still doing training with the reservation staff.

A board member advised she came in and advised all of the reservation staff was very polite and courteous.

The Board President advised that there were 807 ownerships that were transferred from Mid America to Lost Valley Resort. The Board President explained the purpose of the transfers to the new Board members. The transferred memberships can not be sold by Lost Valley Resort until all of the Mid America memberships are sold per the bylaws.

A discussion was held on whether anything can be done regarding the tours and the two-year waiting time to purchase out of the paper. A board member advised he would see what other options may be available.

There was a discussion on what type of food was going to be available in the eating area at the pool. The Resort Manager is looking into a food license so the resort can sell food at a concession stand.

A board member asked if the resort can put out a card where things are located like on Facebook. When you Google Lost Valley Lake you get a lot of sites. We want to make sure owners go to a true Lost Valley Resort site for correct information and comments.

The Resort Manager advised she will have Leanna put a information card together.

A motion was made to adjourn the meeting at 11:41. The motion was second and all Board members approved the motion that was made.

Minutes Approved: 7-03-2018 by all Board Members Electronically

Minutes Prepared by: *Doug Allen*