

THE BLUE MOUNTAIN LAKE CLUB

BML Board Meeting Highlights Saturday, January 19, 2013

1) Call to Order by Manager: Patrick Briegel called the meeting to order at 9:00 AM.

- a) Attendance: Mike Blanchard, Antoinette “Chip” Callori, John Gumina, Ernie Hayfield, Vince Ricci, Roger Stennett and Robert Temple.
- b) Others: Patrick Briegel and Mary Ann Freeby, PMA Management; Kevin Hardy, Legal Counsel

2) Introduction of New Board Members and Others in Attendance. Dr. John Gumina welcomed the new Board Members and all present. Each member took a moment to introduce themselves.

3) Recognition of Board Members of Non-Profit Association Fiduciary Obligations:

Patrick Briegel presented all present with a letter that was hand delivered by Mr. Blanchard on Friday, January 19, 2013. The letter, signed by Mr. Blanchard, Mr. Ricci and Mr. Temple, details reasons for their refusal to sign the Fiduciary Acknowledgement (see attached). Counsel explained that regardless of their refusal to sign the Fiduciary Acknowledgement, members of the Board of Directors remain bound by their obligation to abide by all “Fiduciary” duties as described under Pennsylvania law. He further explained PA., Law supersedes all community documents. Fiduciary acknowledgment is recognized and required under the Non-Profit Corporate Law and the Uniformed Planned Community Act. He presented the Board with a written explanation of “Fiduciary Duty”, all applicable laws, and description of what constitutes a breach and possible penalties under the law. He added that when elected, Board members have a higher level of responsibility to the HOA than regular members, and as such may relinquish some of their individual rights as members. As a result of Attorney Hardy’s explanation, Roger Stennett motioned to suspend the Board’s current “Fiduciary Acknowledgement Policy” thus enabling Mr. Blanchard, Mr. Ricci and Mr. Temple to be seated as Board members, and further motioned to incorporate the Fiduciary Acknowledgement with the current “Election Policy” requiring all potential Board member candidates to submit a properly completed Fiduciary Acknowledgment as a condition of being placed on the ballot. The motion was seconded by Ernie Hayfield; all newly seated and incumbent Board members were in favor.

4) Reorganization of the Board – Election of Officers for 2013

- a) Patrick Briegel called for nominations for Board President – Antoinette Callori nominated John Gumina for Board President, Ernie Hayfield 2nd, Patrick Briegel called for additional nominations, there were none and all members were in favor; John Gumina elected Board President for 2013.

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- b) Patrick Briegel called for nominations for Board Vice President – Roger Stennett was nominated by John Gumina for the position of Vice President, 2nd by Ernie Hayfield, Patrick Briegel called for any other nominations, there were none and all members were in favor, Roger Stennett elected Board Vice President for 2013.
 - c) Patrick Briegel called for nominations for Secretary – Roger Stennett nominated Antoinett Callori “Chip”, 2nd by Mike Blanchard, Patrick Briegel called for any other nominations, there were none and all members were in favor. Chip Callori elected Board Secretary for 2013.
 - d) Patrick Briegel called for nominations for Treasurer – Chip Callori nominated Ernie Hayfield, 2nd by Roger Stennett, Patrick Briegel called for any other nominations, there were none and all members were in favor. Ernie Hayfield elected Treasurer for 2013.
 - e) Appointment of Administrative Assistant to the Board – Robert Temple motioned for Mary Ann Freeby to be the Administrative Assitant to the Board, 2nd by Ernie Hayfield, all in favor.
- 5) Motion to approve Minutes of December 1, 2012** - On a motion by Roger Stennett, 2nd Ernie Hayfield, the minutes were approved with one spelling correction to item 3b, all in favor.
- 6) Management and Committee Reports:**
- a) Financial Report –
 - i) Ernie Hayfield reported that 2012 income was greater and expenses were less than in the prior FY 2011.
 - ii) There was an increase in the amount collected on past due accounts. Several larger delinquent accounts were collected. Mr. Hayfield reported that the Club will continue to aggresively pursue delinquent accounts through Management’s efforts and those of our collection attorney and the credit agency.
 - iii) The BML Club Reserve Funding Plan is due for update this year. Management has already begun working on the report with the Reserve Study Consultant, ICPI. The report should be available in a few months.
 - iv) The auditor has begun work on the Club financials. Once completed Mr. Hayfield will present the full financials and tax return to the Board for review.
 - v) Grant Application – Management is investigating a grant application that may be used for infrastructure improvements. Engineer analysis may be required for any submissions, in addition to possible matching funds. More details will be provided at the next meeting.

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- b) Design Review Committee - Cluster I Generators- Patrick Briegel explained that the Club has received several requests for generator placement in the Cluster area. In the areas where propane is already available the placement of the generator in the 10-foot limited common area by a licensed and insured vendor is the primary concern. In areas where there is no available propane, not only placement of the generator but of the fuel tank location and screening requirements within the ten foot limited common area. There was discussion among the Board. On a motion by Vince Ricci, 2nd by Robert Temple, the Board agreed to approve placement of generators in the 10-foot limited common area, requiring proper screening (vinyl) of fuel tanks, no more than (2) one hundred gallon tanks or as space permits, individual review of each submission, plot plan requirements, contract from insured and licensed contractor, with the final policy subject to review by counsel, all in favor. Patrick Briegel will draft the policy and seek review by counsel to include all of the above.
- c) Safety Committee
 - i) Security Report
 - ii) Officer Shelly's Report - Mary Ann Freeby reported that Officer Shelly could not attend due to the birth of his twin girls. She did report that there was one break-in that occurred over the holidays that has resulted in an on going investigation into the matter.

7) Old Business:

- a) Walking Trail Wetland Permit – Patrick Briegel reported that the BML Walking Trails are an ongoing project. Proposed by community member Mark Sowers, PMA has installed a new trail providing a short cut for school children (bus stop) from the Hollow Drive area to Escoll. There is a needed wetland permit required for repairs to the upper portion of the walking trail located next to the lake, which he will be pursuing. Mark will be creating a map of the trails and signage.
- b) BML Website – Patrick Briegel reported there is an upcoming meeting with the company building the website. The site will have community documents such as the declaration, by-laws, rules and regulations, fine schedules, and forms for downloading, the newsletter, a review of minute meetings, etc. available to community members. An update will be provided at the next meeting.
- c) Infrastructure Grant Application – as reported in the financial report Management is pursuing a grant application that may be used for infrastructure improvements. Engineered analysis may be required for any submissions, in addition to possible

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matching funds. Community member Michelle Harper will be working with Patrick Briegel. More details will be provided at the next meeting.

- d) Cornerstone - a discussion on how best to inform the Cornerstone owners took place. A letter will be drafted updating the Cornerstone owners in regard to LTS and Stroud Townships efforts to enforce completion of the community or exercise their right to the surety bond for completion of the infrastructure.

8) New Business:

- a) Brushy Mt. Drainage – Patrick Briegel will be meeting with State Representative Rosemary Brown to enlist her support in addressing the road and drainage issue.
- b) Cluster I Generators – reviewed under DRC business.

9) Other:

- a) Patrick Briegel reported that Mr. Temple, Mr. Blanchard and Mr. Ricci presented a written request to see certain documents. Patrick explained that the documents were available for review. Mr. Temple indicated that he was previously obligated and could not stay, and Mr. Blanchard indicated they could come in at a later date. It was agreed they would schedule a time.

- 10) **Adjournment** – meeting adjourned at 11:15 AM all in favor.