

# MINUTES

## PINE MOUNTAIN CLUB PROPERTY OWNERS ASSOCIATION, INC. BOARD OF DIRECTORS – SPECIAL OPEN BOARD MEETING SATURDAY, MARCH 11, 2017 10:00 AM – CONDOR ROOM

The minutes reflect the decisions made during the meeting, but not what is actually said at the meeting.  
The minutes are a permanent record of actions taken by the Board. Agenda available upon request.

### **I. CALL TO ORDER**

Chairman Gurtner called the meeting to order at 10:00 am. Eight Directors attended: Stephan Bates, Gary Biggerstaff, Sandy Browne, Bill Gurtner, John Cantley, Garry Kemmer, Phyllis Throckmorton and Douglas Wilde. Susan Canaan was absent. Also in attendance, General Manager Rory Worster and Recording Secretary Karin Shulman.

### **II. ADOPT THE AGENDA**

**MOTION** by Director Browne, **SECOND** by Director Bates that the Agenda for the Special Open Board Meeting of March 11, 2017 be adopted.

### **III. MEMBER'S OPEN FORUM**

**DISCUSSION:** 3508-439-440-run Bistro at break even or profit. Members want to see line item budget. Petitions; 3566362-Budget, slush fund, \$109,849 overage in budget should be returned to members (Director Wilde asked what member did with his company?); 3567-118-Bistro, what can be done to prevent further losses? 3405-183-Invited GM and the Chairman to the Greens and Grounds Committee meeting; 3402-065-repair swimming pool (Director Biggerstaff said pool is not leaking, caused by high water table); 3507-131 & 130-Post Office shouldn't be subsidized, petitions are to reduce asset cost and can be changed by the bylaws. Petitions address spending limits. Hasn't seen any fiscal responsibility by the board since moving here. Petition signers here for empowerment; 3508-420- appreciate the hard work of the directors but we have real problems with costs going up, the golf course is non-existent, equestrian center horses not being taken care of. Need a pool, not a bigger restaurant; 3567-293-gave history of Pine Mountain Club starting with the days of Tenneco. Existing clubhouse was the sales office, meant to be torn down and replaced with a clubhouse and was supposed to have an 18 hole golf course. Pro's enjoyed playing our golf course because it was indigenous. On another board with same issues. It is the fiduciary responsibility of our board to raise assessments each year to take care of our assets; 3566-387-Objected to Patric Hedlund from the Mountain Enterprise taking her picture, on behalf of the Budget and Finance committee deeply troubled when members stand up talk about the budget and states that we aren't doing our fiduciary duty; 3507-260-disagrees with some items on the budget. The Bistro and Lounge not in the CC&R's. It is up to the membership if they want new facilities. Membership needs to know who uses the facilities and how much used. In favor of improvements that members find necessary. Remove subsidies. Need several options of plans for remodel; 3507-130 & 131-Relating to history, their ambition looks ok until now. Need ADA and pool but don't need a multi-million dollar project. Repair and modify what we have. Members wanted options and they have not been delivered. Some members have organized their own membership to get to the point; 3567-160-disturbing to see so much distance between members and board. In favor of doing things that need to be done; 3567-017-there is a bid disparity between the board and membership. Chairman Gurtner was CEO of Anthem Blue Cross and making six figures a year. Members have limits and can't afford rising assessments. Members won't go into debt for the Taj Mahal. Fix up existing clubhouse. Surprised at the boards fiscal irresponsibility; 3507-430-new clubhouse is for the birds. Support the commercial center businesses. 3402-509-Appreciate the boards work. People are well motivated. The support to the Post Office is a good addition to the Community. Fed-Ex box has been removed, need Fed-Ex support

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at the Post Office. Chickens could be put at the dog park. Use garbage to create fuel and provide greater services to community. Two types of membership, one for all amenities and the other for basic membership; 3402-161-the Planning Committee put out 3 surveys. None of the clubhouse remodel came out of thin air. Hard to phantom why members are surprised this has come up. Facilities were here when members bought their homes. People either didn't do their homework or weren't paying attention; 3566-418-amenities were here when we bought. Need to provide what we need, not what we want. Bought into this facility, not a new one; 3508-455-the board is here to serve the members. If we do not move forward, we will be going backward. In the long run, it will cost more to maintain and fix this facility then to remodel. We have lowest assessment in California. The Commercial Center only pays one assessment and does not carry their weight. They don't snow plow, they have ice everywhere. We want a nice place to live. Need to care about the community. The Board does a good job. Be on a committee if you want changes; 3567-235-Lounge use to be packed. Fix the pool. Need to bring more people in for events. No one who works here knows how to bring people in.

## IV. DISCUSSION AND POSSIBLE MOTION

### 1. Budget Discussion

**DISCUSSION:** The General Manager and Accounting Manager, Todd Draa presented Budget Power Point.

Director Wilde apologized to Member Finn Myggen for his earlier comment.

Recessed 12:00 pm. Reconvened at 12:20 pm.

**DISCUSSION RESUMED:** Director Browne asked how much is spent on mailings and how much do is paid for credit card fees. GM will check on the mailing costs. Credit card fees run about \$37,435 per year. The Greens and Ground Committee request a \$10,000 line item for projects. The General Manager stated it could be uncontrollable and nothing in their Charter allows them the ability to buy anything. Discussed Reserve Study and how it works; A-2 forms are completed for projects. The form goes to the Planning Committee to compare to the Strategic Five Year Plan. The "slush" fund as a member called it is a fund requested by the Budget and Finance Committee for emergency repairs. Need to know what members want. The rental string served 225 rides. The assessment support was \$139 per ride. The assessment is about \$11 per lot for the rental string. Director's Biggerstaff, Browne and Cantley are reluctant to support the rental string. Assessments have increased \$40 or less in the last six years (only four members knew that by show of hands). Questions asked: does our insurance allow us to hire anyone 18 years of age or less? Do we have enough insurance to cover the deductible (our cost is 25% deductible per structure in case of earthquake, fire). Director Gurtner reminded everyone we are an association and tasked with providing services to members. We are not a business. One member stated that the board should make data driven decisions. Would like the rental string but not a need. Would like the Planning Committee to put out a survey of members use of amenities, new website, filming revenue, invest in employees, the wording for the Clubhouse Remodel Project was appalling, need to support greater marketing efforts, does the board vote for foreclosed lots taken back (No)? Discussed why the pool and the clubhouse facility was never put into the Reserve Study, bring back lifeguards, use Pay Pal to pay assessments and charge members for credit charge fee when credit card used. Look at seasonal adjustments.

**MOTION** by Director Browne, **SECOND** by Director Cantley to remove rental string from the budget.

**MOTION** failed. Director's Kemmer, Bates, Throckmorton and Wilde opposed the motion. Director Gurtner did not vote.

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**V. ADJOURNMENT**

**MOTION** by Director Browne, **SECOND** by Director Bates to adjourn.  
Meeting adjourned at 1:40 pm.

Acknowledgment of Board Approval by:

\_\_\_\_\_  
Sandy Browne, Corporate Secretary

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Date

Approved 04/15/2017