

# THE MOUNTAIN VIEW

Lake Harmony Estates Property Owners Association  
P.O. Box 866, Moscow, PA 18444

(570) 842-0321

May 2010



[www.appletreemanagement.com/lakeharmony](http://www.appletreemanagement.com/lakeharmony)

[www.lakeharmonyestates.com](http://www.lakeharmonyestates.com)

## PRESIDENT'S CORNER

By: Larry Gould

Ah yes, another edition of the Mountain View newsletter, and another article entitled "President's Corner" adorning the first page. It is truly a privilege for me to write these articles, and I enjoy doing so very much. I fondly remember the first Mountain View newsletter that I read (many years ago). I liked it very much, and consider it an honor to be able to contribute to it.

Lately, I have been thinking back to all of the great accomplishments under my administration. I was certainly thrust into the thick of things, as my first official "test" was the infamous ice storm of January 2005, which occurred just days into the beginning of my Presidency. This was a true test, where I found myself on the front lines of battle, dragging entire trees off of the roadways, calling property owners, and ordering postcards to be sent to all of our owners advising them of the unique weather tragedy we were experiencing here in Lake Harmony Estates. I felt like a father taking care of his baby. It was quite an inaugural experience.

Undaunted by that surreal experience, much progress has been made since January 2005. We went ahead and made the single most largest purchase in LHE history- the Beach House, which now stands as a community asset that has added significant value to the community while giving us a substantial contiguous waterfront presence on Lake Harmony. That purchase allowed us to connect our two other parcels, the Beach, and the parking lot. The trio is a very impressive set of lots along the waters edge. We started a great initiative to host community social gatherings at the Beach house for our property owners and guests. We issued the Book of Governance, which serves as an updated set of Rules and Regulations for our community. We have instituted an annual road maintenance program to help preserve our roadways, increased enforcement of our Rules and Regulations, and have increased our collections ten fold. We have instituted the Tree Protection and Preservation Program, repainted all of our street signs, cleared the canoe rack waiting list by building new canoe racks, and are working on a new marina docking system, which should add significant value to the community. We incepted and continue to administer the Volunteer Safety Patrols, and fostered a great relationship with our local Police Department. We have made continuous improvements to the Beach House property, and have completed a major improvement to this property each and every year. We are installing a bike rack at this property, and continue to improve drainage conditions there. We instituted the "adopt-a-street" program, and have just instituted an annual LHE clean up day. We are in the process of having land parcels which we own surveyed and appraised, in an effort to assess whether or not to sell some of the Association's real property. We have significantly changed the way we manage the community, by initiating better follow up procedures and have taken notice of, and action on aesthetics and community safety. We have worked closely with PPL as they performed tree trimming in our community to protect our trees while allowing their vital tree pruning service to keep our power lines safe. We have initiated safe and prudent investment models, have cut costs on many Association operations, and have promulgated a reserve study. We have set up reserve targets and have begun creating reserves for larger projects in an effort to avoid future increases. We have started the use of Beach Patrol Officers, and have created a new Beach Pass system. We are using electronic mailings more often in an effort to save on mailing costs. We have initiated the rental committee who oversees and helps liaison with the rental properties, and have begun our very own rental web site to help generate quality rentals. We started our own "community" web site, a more relaxed and informal version of our regular "business" web site. We maintain a strong financial position while still maintaining some of the lowest community dues in the world.

WOW ! Did I get it all? I think I did. I am extremely proud of my administration's accomplishments, and again I thank your Board of Directors, your on-site coordinator, your community management team (Appletree Management Group) and our legal counsel. We have a great team in place, and we all work well together. I would like to tell you this (and more) in person, so I personally invite each and every one of you to attend your semi-annual meeting on Sunday May 30<sup>th</sup> 2010 at 10:00 AM in the Kidder Township Municipal Building. Please come and spend some time with us to see and hear how much we do for you. As always, your thoughts, suggestions, ideas and input is valued, welcomed, and appreciated.

So.....after this great "Administration review and recap" what's next? I'm still confident we can come up with more great things to do for the community that I love so much. Stay tuned and see what we do in the next few months. It's all for you anyway !

LHEPOA SEMI ANNUAL  
MEETING AGENDA  
KIDDER TOWNSHIP BUILDING

May 30, 2010

- 9:45 AM Welcome and Refreshments**
- 10:00 AM Call to Order – L. Gould,  
President**  
Pledge of Allegiance  
**President's Welcome and  
Report - L. Gould**  
Introductions – Board Members,  
Guests, New Owners, First Time  
Attendees  
Meeting Overview  
**Board of Directors Update**  
Recognition  
Plea for New Volunteers
- 11:00 AM Treasurer's Report – B.  
Scholtz**  
Financial Update  
**Fall Semi Annual Meeting  
Minutes Approval**  
**Legal Counsel Report – D.  
Horvath, Esq.**  
**Management and  
Coordinator's Report – L.  
Hubert and M. Bergsma**
- 11:30AM Committee Reports**  
ARCH/Construction/Maintenance  
Committee—  
Beach Committee – Linda Hubert  
Boat Dock & Launch Committee –  
Linda Hubert  
Canoe Rack Committee – Linda  
Hubert  
Roads Committee – John Barnitz  
Lake Harmony Group – Lou  
Cerino  
Rental Committee – L. Gould  
**Beach House Property Update  
– R. Ferretti**  
**Community Wide  
Enforcement – M. Bergsma**  
Progress Report  
**New Business**  
**Discussion/Questions**
- 12:30 PM Adjournment**

## Management Report

Megan Bergsma

As this is my first report to you since becoming your Community Manager in January, I wanted to say that I look forward to introducing myself to you at the meeting.

Community violation inspections are on going. Many have stated that they were unaware of the rules. I ask that all homeowners take the time to review the Book of Governance and make yourself aware of the rules. If you do not have a book, they are available online or you can contact AMG and ask that one be sent to you. I also ask that if you rent your home, please be sure that the rules are available to the guests as well. You as the homeowner have the ultimate responsibility to see that anyone using your home respects the rules.

There are great things coming to Lake Harmony Estates and I hope for a season of good weather and everyone enjoys.

### Tennis Court/ New Keys

**The court has been resurfaced. Please-only tennis playing is permitted. No skateboards, roller skates, etc., no other ball playing.**

**If you have paid for a tennis membership, you can pick up the new key up at the beach during open hours.**

### PROTECT OUR TREES

Our trees are a valuable resource worthy of protection. Due to their value, and the vast benefits that trees provide, there are strict rules and regulations protecting them. No tree may be cut within Lake Harmony Estates without prior approval from LHEPOA. Please be sure to ask for approval whenever you are contemplating any type of tree work whatsoever. There is a strict tree replacement ratio in effect as well which is 3:1 for live trees (three trees to replace every one taken down), and 2:1 for dead trees (two trees to replace every one taken down). These rules are designed to help replenish all of the trees we have lost due to disease, the ice storm, rot, insect infiltration, and new construction. Trees help with storm water runoff, add natural beauty, provide clean air, and much more. Please do your part to help preserve and protect them. We thank all of the property owners who have recently planted trees on their property. We have noticed your gallant efforts, and applaud your actions to help replenish trees within LHE. We encourage other property owners to do the same. Please be a part of the solution. Plant a tree.

## **LAKE HARMONY ESTATES 1<sup>ST</sup> ANNUAL COMMUNITY CLEAN UP EVENT**

We are pleased to announce our 1<sup>st</sup> annual Lake Harmony Estates clean up day scheduled to take place on Sunday May 30<sup>th</sup> 2010 at 1:30 PM after your semi-annual meeting. Everyone is urged to spend some time helping to clean up our beloved community. The Association will supply trash bags and gloves for this great event. We will all gather at the tennis courts and work together for a common goal. Please do not miss this momentous occasion as we usher in a new Lake Harmony Estates annual tradition. Be there for the very first one! This should be a fun way to get together and do something as a team. Then, immediately thereafter, we'll all head to the Beach House for our Memorial Day weekend Social event. Don't miss this opportunity to get together with your neighbors and help the community.



### **PERMITS ARE MANDATORY**

This is a reminder that permits are required from LHEPOA for any exterior work performed on any house or structure located within Lake Harmony Estates. Permits must be applied for AND APPROVED - BEFORE any exterior work begins. Please do not attempt to execute any exterior work before obtaining your permit from Appletree Management Group Inc., your community management team. They may be contacted at (570) 842-0321. Please call and ask if you have any questions. Please take a few minutes to secure all permits before work begins, as this will help you avoid a violation notice and fine. We have made the process easier than ever, and it has become a very "user friendly" process. Please be sure to prominently display your permit for the duration of the project. This process represents responsible community management and is in place to protect our community. Please respect this mandatory process and secure your permit.

### **TRASH - TRASH AND MORE TRASH**

Trash continues to be an ongoing problem within Lake Harmony Estates. We ask that all property owners make a concerted effort to have your trash properly contained. This is true for rental properties as well as non-rental properties. Your Board of Directors are now encouraging the use of trash bins inside of garbage cages. There is an approved type available for you to view at your community website, [www.lakeharmonyestates.com](http://www.lakeharmonyestates.com). The trash problem has increased lately, and leaves the community looking unkempt and unsightly. ALL property owners are responsible to make sure that all of your trash is properly packed in (lockable) trash bins, placed into a garbage cage. This seems to be the most effective way to curb trash problems. Doing your part is important in helping to solve this perpetual problem. Please do what you can to help.

## **BEACH HOUSE REPORT – May, 2010**

### **- by Russ Ferretti, Vice-President, Board of Directors**

This article recaps the Beach House Utilization plan approved by the LHEPOA Board of Directors and brings you up to date on the status of the Beach House and Association plans for the future.

The Beach House Committee final report to the Board of Directors issued in 2008 contained recommendations on how the Beach House should be utilized for the benefit of the membership. These recommendations are summarized below, some of which are dependent upon the availability of funding, either from the Association budget or sale of Association assets.

#### Short-Term Recommendations:

- Use the Beach House for Association meetings and socials
- Use the grounds & porch for member gatherings, picnics and boat loading/unloading
- Establish a Recreation Committee to plan community events in the Beach House
- Make interior spaces available to members for private parties on a rental basis

#### Long-Term Recommendations (dependent upon funding availability):

- Retire Beach House mortgage
- Add handicapped-accessible bathroom/change room
- Modify interior layout to be more open and suitable for Association functions
- Install new low deck in lake-side yard and bicycle rack

I am happy to report that all Short-Term plans have now been put into effect for the benefit of Association members. Association Board meetings are regularly held at the Beach House and the new Recreation Committee has been organizing two socials each year, usually one in the spring and one in the fall or end of year holiday season. The socials have been well attended and as a result many Association members have met each other for the first time or had an opportunity to get to know each other better.

Of course, the Beach House grounds and dock has been used extensively over the past couple of seasons for boat loading/unloading, which has made access to the beach much easier for Association boaters. The new stone patio area constructed last year on one side of the lakeside yard has expanded the usable space in the yard and created a nice shady area for one of the Beach House picnic tables. And this year, you will note that the lakeside lawn has been re-landscaped and sodded to create a really lush and green lawn, which is appealing and comfortable for those wishing to set up a chair and enjoy looking out on the beautiful lake. Reconstruction of the lakeside stairs from the porch to the lawn has also recently been completed to increase safety and utility, since these stairs were abnormally steep and presented a safety hazard. In addition, a new bicycle rack will soon be installed.

Also, as announced last fall, the Board has recently finalized a program to make the Beach house interior available to Association members for private events on a rental basis where a bit more space may be needed than is available at your home. Details of the Beach House Homeowner Use Program are being distributed at this year's spring Semi-Annual meeting and are also available by contacting Appletree Management. This private use program was released based on the Board's determination that the Beach House handicapped-accessible needs can be adequately met at this time with the accessible portable toilet located near the beach entrance gate. Therefore, there will be no additional handicapped toilet facility constructed in the Beach House at this time.

Implementation of further long-term recommendations, such as retiring the Beach House mortgage and remodeling the interior, is dependent on funding, which is unavailable at this time. However, should funding become available, such as through sale of LHE land parcels owned by the Association, these long-term plans will be further considered.

Finally, I am pleased to be able to report that your Board of Directors has been able to make significant and ongoing improvements to your Beach House facility since it was purchased in 2005. These actions have constantly enhanced this very valuable amenity, which adds significantly each LHE homeowner's property investment and enhances the community lifestyle enjoyed by LHE Association members.

LAKE HARMONY ESTATES POA

Income/Expense Statement

Period: 03/01/10 to 03/31/10

Description	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance	Yearly Budget
INCOME:							
ANNUAL SERVICE FEE	.00	.00	.00	126,750.00	128,700.00	(1,950.00)	128,700.00
LAKE FRONT ACQ ASSMT	.00	.00	.00	57,830.00	58,740.00	(910.00)	58,740.00
BAD DEBTS WRITTEN OFF	.00	.00	.00	(4,326.86)	(2,000.00)	(2,326.86)	(2,000.00)
BEACH TAG ~ RENTER	900.00	2,000.00	(1,100.00)	12,475.00	13,500.00	(1,025.00)	24,300.00
BEACH TAG ~ FAMILY	155.00	300.00	(145.00)	5,105.00	5,300.00	(195.00)	6,660.00
BUILDING FEE INCOME	.00	.00	.00	.00	.00	.00	2,000.00
CANOE RACK INCOME	.00	.00	.00	1,410.00	1,400.00	10.00	1,740.00
DUPELEX INCOME	.00	.00	.00	780.00	390.00	390.00	390.00
INTEREST ON INVESTMENTS	26.95	257.16	(230.21)	71.25	771.48	(700.23)	3,086.00
LATE CHARGE / INTEREST INCOME	258.76	.00	258.76	6,751.52	6,500.00	251.52	6,500.00
MARINA INCOME	375.00	.00	375.00	6,750.00	6,400.00	350.00	6,400.00
MISCELLANEOUS INCOME	25.00	83.33	(58.33)	2,570.00	249.99	2,320.01	1,000.00
OUTSIDE ROAD FEES	100.00	.00	100.00	500.00	400.00	100.00	400.00
TENNIS CLUB INCOME	30.00	.00	30.00	720.00	700.00	20.00	1,020.00
TRANSFER FEE INCOME	.00	.00	.00	200.00	200.00	.00	600.00
VIOLATION FEE INCOME	.00	.00	.00	350.00	350.00	.00	6,500.00
RENTAL REGISTRATION FEES	1,200.00	1,500.00	(300.00)	6,000.00	6,300.00	(300.00)	8,100.00
OUTSIDE MARINA FEE	.00	.00	.00	250.00	250.00	.00	250.00
TOTAL INCOME	3,070.71	4,140.49	(1,069.78)	224,185.91	228,151.47	(3,965.56)	254,386.00
EXPENSES							
ADMINISTRATIVE EXPENSES							
BEACH HOUSE MAINTENANCE EXP	.00	1,000.00	1,000.00	275.00	3,000.00	2,725.00	12,000.00
BEACH HOUSE UTILITIES	533.20	191.66	(341.54)	1,582.14	574.98	(1,007.16)	2,300.00
BANK CHARGES	10.00	73.83	63.83	246.91	221.49	(25.42)	886.00
CANOE RACK EXPENSE	.00	.00	.00	.00	.00	.00	100.00
DONATIONS	.00	.00	.00	.00	.00	.00	500.00
INSURANCE EXPENSE	3,291.00	3,300.00	9.00	6,269.00	6,300.00	31.00	11,751.00
LAKE HARMONY GROUP	.00	.00	.00	.00	.00	.00	4,500.00
LEGAL FEES	800.00	583.33	(216.67)	2,629.00	1,749.99	(879.01)	7,000.00
MANAGEMENT FEES	1,737.50	1,737.50	.00	5,212.50	5,212.50	.00	20,850.00
MARINA EXPENSE	.00	.00	.00	.00	.00	.00	2,000.00
MEETING EXPENSE	37.83	50.00	12.17	115.71	130.00	14.29	1,100.00
WAYNE BANK MORTGAGE	4,553.39	4,553.41	.02	13,660.17	13,660.23	.06	54,641.00
TOTAL ADMINISTRATIVE EXPENSES	10,962.92	11,489.73	526.81	29,990.43	30,849.19	858.76	117,628.00

**LAKE HARMONY ESTATES POA**  
 Income/Expense Statement  
 Period: 03/01/10 to 03/31/10

Description	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance	Yearly Budget
<b>BEACH EXPENSES</b>							
BEACH EXPENSE - PORTA POTTY	.00	.00	.00	.00	.00	.00	1,600.00
BEACH EXPENSE - SALARIES	.00	.00	.00	.00	.00	.00	13,000.00
BEACH EXPENSE - MISCELLANEOUS	.00	.00	.00	.00	.00	.00	3,000.00
MISC BEACH EXP - PARKING	175.00	.00	(175.00)	175.00	.00	(175.00)	.00
<b>TOTAL BEACH EXPENSES</b>	<b>175.00</b>	<b>.00</b>	<b>(175.00)</b>	<b>175.00</b>	<b>.00</b>	<b>(175.00)</b>	<b>17,600.00</b>
<b>OPERATING EXPENSES</b>							
MISCELLANEOUS LABOR	.00	.00	.00	.00	.00	.00	1,200.00
COMMON AREA REPAIR & MAINT	.00	83.33	83.33	3,430.00	249.99	(3,180.01)	1,000.00
OFFICE SUPPLIES	91.86	208.33	116.47	804.90	624.99	(179.91)	2,500.00
ONSITE COORDINATOR REIMB	.00	.00	.00	10.62	.00	(10.62)	.00
ON SITE ADMINISTRATION	.00	.00	.00	1,241.09	1,250.00	8.91	13,500.00
LAWN CUTTING	.00	.00	.00	.00	.00	.00	2,150.00
SNOW PLOWING	1,072.50	3,100.00	2,027.50	16,468.75	18,600.00	2,131.25	30,000.00
AUDIT FEES & ACCOUNTING	.00	.00	.00	.00	.00	.00	2,200.00
ROADWORK	175.00	200.00	25.00	281.67	300.00	18.33	3,000.00
TELEPHONE & UTILITIES	20.71	41.66	20.95	60.68	124.98	64.30	500.00
WEBSITE MANAGEMENT	75.00	100.00	25.00	225.00	300.00	75.00	1,200.00
<b>TOTAL OPERATING EXPENSES</b>	<b>1,435.07</b>	<b>3,733.32</b>	<b>2,298.25</b>	<b>22,522.71</b>	<b>21,449.96</b>	<b>(1,072.75)</b>	<b>57,250.00</b>
<b>CAPITAL EXPENSES</b>							
CAP ~ MARINA REPLACEMENT 2010	10,000.00	.00	(10,000.00)	10,000.00	.00	(10,000.00)	.00
<b>TOTAL CAPITAL EXPENSES</b>	<b>10,000.00</b>	<b>.00</b>	<b>(10,000.00)</b>	<b>10,000.00</b>	<b>.00</b>	<b>(10,000.00)</b>	<b>.00</b>
<b>TOTAL EXPENSES</b>	<b>22,572.99</b>	<b>15,223.05</b>	<b>(7,349.94)</b>	<b>62,688.14</b>	<b>52,299.15</b>	<b>(10,388.99)</b>	<b>192,478.00</b>
<b>CURRENT YEAR NET INCOME/(LOSS)</b>	<b>(19,502.28)</b>	<b>(11,082.56)</b>	<b>(8,419.72)</b>	<b>161,497.77</b>	<b>175,852.32</b>	<b>(14,354.55)</b>	<b>61,908.00</b>

**LAKE HARMONY ESTATES POA**

Balance Sheet

As of 03/31/10

**ASSETS**

**CASH**

WAYNE OPERATING 91010222	\$	155,932.90
WAYNE OPER MM #91027481		7,490.38
WAYNE RESERVE 51005126001		184,867.20
MERRILL LYNCH MM 216-04058		110,410.73

TOTAL CASH		\$ 458,701.21
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**DUES RECEIVABLE**

DUES RECEIVABLE	\$	22,207.26
Cance Rack Receivable		(30.00)
Late Charge Receivable		6,988.00
Late Interest Receivable		759.06
Transfer Fee Receivable		100.00
Violation Fee Receivable		8,265.00
TENNIS CLUB RECEIVABLE		(30.00)
FAMILY TAG RECEIVABLE		(45.00)
BEACH RENTER RECEIVABLE		1,025.00

TOTAL ACCOUNTS RECEIVABLE		\$ 39,239.32
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**OTHER ASSETS**

SOUTH LAKE DR PROPERTY	\$	614,095.00
DEFERRED CHGS/ CLOSING COSTS		13,974.65

TOTAL ASSETS		\$ 1,126,010.18
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**LIABILITIES & EQUITY**

**CURRENT LIABILITIES:**

Accounts Payable	\$	368.82
ADMIN DUE TO AMG		1,875.00
BUILDING/ROAD DEPOSITS		18,000.00
WAYNE BANK MTG #0001		468,200.94
Deposits on Marina/Cance		2,970.00
Prepaid Owner Assessments		1,671.14

Subtotal Current Liab.		\$ 493,085.90
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**EQUITY:**

RETAINED EARNINGS	\$	474,998.98
1992 YAMULLA START UP		(3,572.47)
Current Year Net Income/(Loss)		161,497.77

TOTAL EQUITY		\$ 632,924.28
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TOTAL LIABILITIES & EQUITY		\$ 1,126,010.18
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**LAKE HARMONY ESTATES PROPERTY OWNERS ASSOCIATION**  
**OCTOBER 24, 2009 FALL SEMI-ANNUAL MEETING RECORD**  
- drafted by Scott Melba, Secretary

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1. **Call to Order/Introductions** - Larry Gould, President called the meeting to order at 10:15 AM. Other Board of Directors (BOD) members present were Russ Ferretti, Vice President; Scott Melba, Secretary; Barry Scholtz, Treasurer; Russ Rankin, Rob Marro and John Gnall. Linda Hubert, Onsite Coordinator was also present. The Appletree Management Group (AMG) representatives present were Brad Jones and Megan Bergsma. David Horvath, Esq., Legal Counsel from the law firm Newman, Williams, Mishkin, Corveleyn, Wolfe & Fareri was also present.

President Gould requested all to rise for the Pledge of Allegiance.

Members of the BOD and Management Team (AMG, Onsite Coordinator and Legal Counsel) were introduced to the membership and President Gould recognized everyone for all of their hard work.

President Gould announced how pleased the BOD and Management Team is to see a sharp increase in permit requests and compliance in general to the community rules and regulations. The permit process has been made easier than ever and members are responding very positively, understanding that our rules and regulations are in the best interest of the community.

President Gould recognized John Barnitz, Roadmaster, for his extremely detailed report of road conditions. We were fortunate to have our roadways replaced when the sewer system was installed; and Mr. Barnitz's efforts have enabled us to react quickly on repairs that will extend their useful life. President Gould reminded members that the no parking on the road rule is intended to protect the roadways from damage caused by cars going over the edge where the road is most fragile. Our best estimate is that the roadways will probably require resurfacing within the next 10 years.

President Gould recognized Jerry Bill, webmaster of the Community Website ([www.lakeharmonyestates.com](http://www.lakeharmonyestates.com)) and the Rental Network Website ([www.lakeharmonyestatesrentals.com](http://www.lakeharmonyestatesrentals.com)). He went on to explain that the Rental Network Website is up and running and was designed as a free resource for rental property owners to promulgate better rentals. All rental property owners are encouraged to utilize the site and should contact the rental committee at [rentalcommittee@lakeharmonyestatesrentals.com](mailto:rentalcommittee@lakeharmonyestatesrentals.com).

2. **Call for Volunteers:** President Gould encouraged members to get involved with the community by volunteering for programs, such as Adopt-a-Street and Safety Patrol, or committees, including Beach, Beach House, Roads, Boat Dock/Launch, Budget, Canoe, Nominating, Recreation, Rental, and Safety. Volunteers can do as much or as little as their time permits; we make it very easy to get involved.
- Adopt-a-Street volunteers clean trash from a street or a portion of a street, although President Gould pointed out that everyone should pick up trash when they see it, whether part of the Adopt-a-Street program or not.
  - Safety Patrol volunteers patrol the community as their schedules permit in an effort to identify and report violations of community rules and regulations. Anyone interested in volunteering for Adopt-a-Street, Safety Patrol, or any other program should contact AMG to inquire.
3. **Call for Nominees:** Tom O'Rourke, Nominating Committee Chair, announced two open BOD positions as a result of Scott Melba's and Rob Marro's term expirations. Current nominees include Bob Grace, Dot Yannes and Scott Melba. No additional nominations were made from the floor.

4. **Overview of Board Initiatives:** President Gould recapped the major initiatives that the BOD and Management Team are working on, as follows:
- **LHE Community Day** – President Gould announced plans for the first annual LHE Community Day, possibly to be held following the Spring Semi-Annual Meeting in May. This event will involve members of the community getting together to pick up trash and will be followed by our Spring Social at the Beach House.
  - **Marina Replacement** – The marina adds significant value to the community and each member’s property value. The BOD is working on replacing the entire system before next year’s boating season.
  - **Tennis Court Resurfacing** – The tennis courts have just been resurfaced.
  - **Tree Replacement / Protection** – The BOD is continuing our groundbreaking programs that have been a model for the township which subsequently implemented their own programs. Trees, which add tremendous value to our community, are being lost at an alarming rate as a result of the 2005 ice storm, new construction, and normal disease, insects, and rot.
    - **Tree Planting Initiative** – We kicked off our program last year when we partnered with the township’s Environmental Advisory Council (EAC) to acquire several hundred saplings, free of charge, for our members to plant.
    - **Tree Replacement Ratio** – The BOD has elected to include in the Book of Governance (Section VII, Number III, Item D) and to enforce a tree replacement ratio of 3:1 for removal of a live tree, and 2:1 for removal of a dead tree.
  - **Community Playground** – The BOD is continuing to analyze the pricing, best materials, location, etc.
  - **Association Owned Properties** – The BOD is honoring their commitment to investigate whether or not the sale of “under-utilized” parcels owned by the Association is in the best interest of the community. The parcels being reviewed include: 11 acres by the tennis courts, the "park" parcel near Nick's Lake House, and another small parcel located within the community. The 11 acres by the tennis courts have been surveyed and the next step is to have the property appraised. This research will provide a definitive understanding of property boundaries and values, even if the decision is made to not sell.
  - **Beach House** – Two additional canoe racks have been installed, enabling the waiting list to be cleared. A “low deck” has been installed in the lakeside yard to facilitate use of a previously unusable area. Additional grounds improvements are underway to make the property safer and more usable. The Association is utilizing the property for seasonal social events.
  - **Beach** – The BOD has made the decision to replace the lifeguards with Beach Patrol Officers. This decision is consistent with what many communities are doing and will save the Association in excess of \$10,000 per year without compromising the safety of beach patrons. The responsibilities of the Beach Patrol Officers will include checking passes and taking care of the beach. There will be no new sand added to the beach this year as we had problems with sand being washed into the lake in previous years. The BOD is working on environmentally friendly solutions for the problem.
  - **Canoe Racks** – Two additional canoe racks have been installed allowing us to clear the canoe rack waiting list.
5. **Treasurer Report:** Treasurer Barry Scholtz reported that the Association is in excellent financial shape. So far this year we are under budget for snow removal. Based on year-to-date income of approximately \$253,000, year-to-date expenses of approximately \$160,000, and anticipated expenses for the remainder of the year, Mr. Scholtz estimates a potential surplus of approximately \$38,500 to go into reserves at year end. Mr. Scholtz also pointed out that the Beach House mortgage balance is approximately \$416,000 as opposed to \$468,200 listed on the Balance Sheet.

Mr. Scholtz reviewed the 2010 budget, highlighting that it is virtually the same as 2009 which will result in no increase of dues for 2010. Mr. Scholtz reported that, as a result of changes made with our insurance provider, we were able to reduce insurance costs while increasing our coverage. He pointed out that the Beach House Maintenance line item includes the cost to install a handicapped rest room and that the BOD expects to incur less legal fees in 2010. Finally, Mr. Sholtz commented that the replacement of lifeguards with Beach Patrol Officers worked very well this year and saved the Association nearly \$11,000.

AMG has provided the BOD with a reserve study to help the Association plan for the future replacement of fixed assets such as the roads, beach house, tennis courts, marina, beach, and signage. The study assigns a replacement cost and a useful life to each fixed asset and provides a roadmap of future expenses for years to come. If adopted, the plan will be to fund reserves at a rate of 75% so that future special assessments may be reduced or avoided.

6. **Previous Meeting Minutes:** Due to lack of a quorum, the meeting minutes from the Semi-Annual Meeting of May 24, 2009 will be voted on and approved at the next Semi-Annual Meeting scheduled for May 30, 2010.
7. **Legal Report:** David Horvath, LHE legal counsel with the firm of Newman, Williams, Mishkin, Corveleyn, Wolfe & Fareri (NW) informed the members that his firm has been representing the Association since 1999 and he has been personally involved since 2002. Throughout the year, Mr. Horvath has assisted the BOD with the surveying of Association owned properties, assisted AMG with collections and liens when necessary, and represented the Association to get dues owed in the event of a property foreclosure in the community; however Mr. Horvath commented that foreclosures are low in LHE compared with other communities. Finally, Mr. Horvath agreed with President Gould's comments regarding a decrease in the instances of building without a permit.
8. **Appletree Management (AMG) Report:** Brad Jones introduced Megan Bergsma and announced that Megan will be taking over his role as Property Manager for LHE beginning January 1, 2010. He described the change as "bittersweet" because, since he began working with LHE in 2002, it has always been one of the best communities that he managed. Brad and Megan went on the report the following:
  - AMG is continuing community inspections and sending out compliance letters.
  - New sections of the Book of Governance including the Tree Preservation Plan and the Beach House Rules and Regulations are now available. Members should review the new sections and contact AMG with any questions.
  - The election newsletter will be sent within the next 30 days and will include ballots for 2 BOD positions as well as a vote to approve the 2010 budget.
  - LHE is in the best financial position of all the communities that AMG manages. We have among the lowest dues and there is no increase planned for 2010.
  - The reserve study has not yet been adopted by the BOD. Once it is, the 75% funding rate that Mr. Scholtz described in the Treasurers Report means, for example, that in several years, when it comes time to replace the roads, the Association will have 75% of the funds required.
9. **Onsite Coordinator Report** – Linda Hubert reported on the following:
  - As a result of the tennis court resurfacing, there will be new locks and keys next year.
  - The Beach Patrol Officers, whose number one priority was safety, worked out very well this year.
  - Trash cans need to have secure lids and should be placed inside trash bins that are cemented or tied down and have working latches. It is also recommended to use wire to discourage animals (see example on Community website at [www.lakeharmonyestates.com](http://www.lakeharmonyestates.com)).
  - Be sure to keep your beach passes for next year. The new passes are reused with the sticker replaced each year. There is a \$10 fee to replace a beach pass for the 2010 season.
10. **Roadmaster Report:** The only addition to President Gould's earlier comments regarding the roads that Roadmaster, John Barnitz, had to add was regarding house numbers. Mr. Barnitz recommended that each property owner should ask themselves, when they approach their property, "Can I see my posted address?"
11. **Lake Harmony Group Report:** President Gould explained that Lake Harmony Group (LHG), which is owned equally by LHEPOA and the Lake Harmony Association (LHA), owns 82% of Lake Harmony with Split Rock owning the remaining 18%.

LHG administers the boat sticker program which requires a sticker for any gas-powered watercraft on the lake. Verification of registration and proof of insurance are necessary to obtain a boat sticker. The program has approximately 98% compliance and has gone a long way to protect the lake, our most important asset.

LHG will also be involved with dredging the lake when it becomes necessary. At one time, the maximum lake depth was 33 feet. Due to years of silt deposits, storm runoff, etc., the current maximum depth is approximately 16 feet and it is as little as 5 feet in some areas. The prevailing idea is to do "spot dredging" as dredging of the entire lake to return it to its' original depth is nearly impossible and cost prohibitive. Even though Lake Harmony is a private lake, it is believed that federal and/or state grant funds are available to assist with the costs. This is most likely a project that LHG will have to take on in the next few years.

12. **Beach House Committee:** Beach House Committee Chair, Russ Ferretti, reported that the BOD has accomplished many of the committee's short-term goals and is now looking at some of the long-term goals including installation of a handicapped accessible bathroom, rental of the Beach House to MIGS, and retirement of the mortgage. Mr. Ferretti announced the Holiday Social planned for December 5, 2009 and thanked the members of the Recreation Committee for their help in planning these social events. Finally, Mr. Ferretti made a plea for additional volunteers for both the Beach House Committee and the Recreation Committee.

#### **Q&A**

1. Q – Why are the violation fees receivable on the Balance Sheet so high (\$13,340)?  
A – It really represents very few accounts that are in the thousands of dollars which we have taken legal action on.
2. Q – What is the \$1,200 website management fee in the budget for?  
A – The community has two websites: the community website ([www.lakeharmonyestates.com](http://www.lakeharmonyestates.com)) designed, developed and maintained by Jerry Bill on a volunteer basis, and the business website ([www.applecreemangement.com/lakeharmony](http://www.applecreemangement.com/lakeharmony)) managed by AMG. The \$1,200 budget covers the costs associated with AMG's management of the business website.
3. Q – How do I get my property listed on the Rental Network Website ([www.lakeharmonyestatesrentals.com](http://www.lakeharmonyestatesrentals.com))?  
A – Send an e-mail [rentalcommittee@lakeharmonyestatesrentals.com](mailto:rentalcommittee@lakeharmonyestatesrentals.com). If you don't have e-mail, pictures can be mailed to Jerry Bill at 538 Elford Road, Fairless Hills, PA 19030.
4. Q – The budget includes building fee income of \$2,000. Isn't that the cost for just one house?  
A – It is actually two houses because \$1,000 of the fee is refundable.
5. Q – Where will the handicapped accessible bathroom be in the Beach House?  
A – The plan is to remodel the current downstairs bathroom, removing the shower and relocating the water heater.
6. Q – Has the snow plow contract been awarded for the 2009-2010 Winter season?  
A – Not yet.
7. Q – How do we get the LHE discount at the Split Rock Water Park?  
A – Just mention that you're from LHE.
8. Q – Do property owners need beach tags to use the beach house property?  
A – No. You do not need beach tags to use the beach house property; but there is no swimming from the beach house property.
9. Q – Some members are very upset about the violation letters they have received for the color white on their homes.  
A – Prior to 2005, the Book of Governance was vague with respect to use of the color white on homes in LHE. As of the new Book of Governance in 2005, white is not allowed. The position of the BOD is to ask for voluntary compliance on homes with white prior to 2005 and to require compliance on any new homes, remodels or property transfers (sales) after the introduction of the new Book of Governance (January 2005)
10. Q – What is being done about the visible/unscreened white propane tanks?  
A – This is part of the year and ½ long effort of the BOD to bring the community into compliance. Letters have been issued and the BOD has given more than enough time for property owners in violation to comply; the next step is to issue fines.
11. Q – Who follows up to ensure that violations have been rectified in compliance with the Book of Governance?  
A – AMG and the BOD.
12. Q – What is being done about noise and/or disorderly conduct violations?  
A – The BOD is keeping track of repeat offenders and addressing issues with those property owners directly. The only recourse of AMG and the BOD is to fine the property owner. If you observe a situation that requires immediate police intervention, call the police at (570) 325-9111 for non-emergencies or 911 for emergencies. The BOD understands that a few problem rental properties are impacting the quality of life for the entire community and the approach is to apply pressure on property owners to improve the quality of their renters.
13. Q – Has the BOD considered gathering e-mail address and going paperless?  
A – This is something that the BOD is discussing with AMG.
14. Q – Can MIGS use the grill at the beach house?  
A – Yes.

**Adjournment:** By unanimous consent, the meeting was adjourned at 12:55 PM.

For future meetings, please be cognizant to not park in spaces reserved for the police.

**2010**  
**IMPORTANT INFORMATION**  
**BEACH PASS**  
**MARINA & TENNIS KEYS and MARINA & CANOE STICKERS**

In an effort to cut costs and make things easier, in 2009 we switched from beach tags to beach passes. Please be advised only Members in Good Standing can receive a beach pass, marina and tennis key and marina and canoe stickers. The beach pass can be used year after year so please don't lose it. There will be a replacement fee. Each year when you pay your fees a current year sticker will be issued to put on your pass. This can be done at the beach. You can pick up your beach pass, marina and tennis keys and marina and canoe stickers at the Beach, during all beach hours. The beach patrol officers will handle this. If you are having someone else pick them up for you (i.e. realtor, relative, neighbor) they must show written permission from you. If you would rather have your beach pass, etc. mailed to you (at your expense), you must contact the Management Office at 570.842.0321 and make arrangements with them. If you need any pass, etc. during the summer, you will again, have to contact the Management Office (note, there will be additional processing fees).

**Beach will be open as follows:**

Saturday, May 22, 2010  
12:00 pm to 5:00 pm

Sunday, May 30, 2010  
11:00 am to 7:00 pm

Sunday, May 23, 2010  
12:00 pm to 5:00 pm

Monday, May 31, 2010  
11:00 am to 7:00 pm

Saturday, May 29, 2010  
11:00 am to 7:00 pm

**All Dates Weather Permitting**

Please make sure you take care of getting your beach pass, etc. ON TIME so we can all enjoy the summer.

The beach will be open weekends only, 11:00 am to 7:00 pm (weather permitting) after Memorial Day Weekend until the children get out of school. Then, it will be open daily until Labor Day. Exact days and times will be posted on the bulletin board at the Beach. Please remember to check the bulletin board for all notices.

Also don't forget when parking at the Beach parking lot, please park so we can fit two (2) rows of cars.



## BEACH/SWIMMING AREA RULES

1. When entering the beach you must have a beach pass that will be checked by a beach patrol officer and you must sign in. Children under 12 must be accompanied by an adult.
2. PA State Law does not allow boats within 100 feet of a swimming area, no boat should pick up or drop off passengers at the dock. Any boat that in the beach patrol officers opinion is a threat to the safety of the swimmers will be warned off using a whistle and the boat registration numbers found on the front will be noted on the daily log and reported to the Management Office.
3. Proper swimming attire must be worn at all times by all ages. Anyone desiring to change clothes while at the beach must do so in the port-a-potty **ONLY**.
4. No throwing sand or rocks or general horseplay. All holes dug in the sand must be filled in before leaving the beach.
5. No swimming under or beyond the dock or outside the roped area. No pushing off or doing flips off of dock.
6. Safe ball playing and large rafts are only allowed when not crowded.
7. Non-swimmers are only allowed in water where they can safely stand.
8. Radios must be kept at a minimal sound level.
9. The Beach Patrol Officer and the Beach Committee have the authority to enforce all rules and to stop any activity that is unsafe. Their decisions are to be followed at all times.
10. Any problems the Beach Patrol Officer and/or Beach Committee cannot handle will be reported to the Management Office or the Police.
11. **Rainy Day Policy:** In the event of foul weather, the Beach Patrol Officer will report at the regularly scheduled time unless otherwise notified. If foul weather occurs during the work day, the Beach Patrol Officer will call the Management Office to discuss closing the beach.
12. Trash/Garbage/Litter must either be placed in a trash receptacle, located in the area or carried away upon leaving the beach.
13. No one may use the beach/swimming area when the gates are locked.
14. No one is allowed to tie a water craft to or fish off the swimming dock **AT ANY TIME**.
15. Repeated offenses will result in permanent expulsion from the beach.
16. Swim diapers are required for any child not potty trained.
17. Dogs are **NOT** permitted on the beach.



Lake Harmony Estates Property Owners Association  
C/O Appletree Management Group, Inc.  
P O Box 866  
Moscow PA 18444

**Spring Semi Annual Meeting**  
**May 30, 2010**  
**10:00 am**  
**Kidder Township Building**