

**Masthope Mountain Community
Board of Directors Meeting
May 20th, 2017**

Transcriber: Kelli Myers
Beach House

8:37 AM Meeting called to order and Pledge of Allegiance said.

Roll Call: Present –Bruno deVinck, Dan Clark, Ed McClary, Foster McCoy, Peter Torchio, Jim Fox, James Graziano and Gerhard Buhler.

Teleconference: Michele Torre

Absent: Eugene Principe and Cynthia Wyatt

Bruno asked for approval of the agenda.
The agenda was approved unanimously.

Bruno asked for the Approval of the Minutes from the April 22nd, 2017 Board of Directors Meeting.

The Minutes were approved unanimously.

Treasurer's Report- for period ending April 30th, 2017. Foster McCoy-see attached.

Treasurer's Report was approved unanimously.

Correspondence Report- Dan Clark-There were several pieces of correspondence. One is for Executive Session. A letter was sent to the Board with suggestions about items that end up in the pool, this will be addressed by management. Jerry Jacobs sent an email asking if an election was necessary, referencing Article 2 paragraph B of the Bylaws. Dan explained that we need to have an election with proxies to obtain a quorum for the July Meeting. We would not have a quorum without the proxies. Joanne Laplace requested a meeting however the email was sent the night before the last meeting. So that request was not addressed at that meeting. She is welcome to address the Board. John Imbriale sent a request to be on the payment plan. Dan said that the Board needs to see his account history to make a ruling on his request. Rose and Sue set additional correspondence regarding RV's in the Community. That will be addressed later in the meeting. Liz Dahl's correspondence stated her opinion about the four corners. She feels that there should be 4 signs at the corners not just 2. Dan said that is for the Beautification Committee to address.

Bruno called for Committee Reports

- a. Ski & ATV-Sheldon-The conditional use hearing for the ATV Training area was approved. Randy added that the township supervisors seem enthusiastic about the ATV Training Area in Masthope and that it will be open to individuals outside

of the Community. It is a good way to give back to the area. They will be meeting with the contractor next week. It is not expected to be a lengthy project. The Top of the Mountain is progressing. A lot of material has come in at no charge to the community. The material is coming from the watermain project on Heritage. They are delivering the spoils from the water main project to the top of the mountain.

- b. Audit-Maria Porter-The Committee has 2 new members coming on board. A motion will need to pass approving the new members.
- c. Strategic Plan-Vicky Graziano-The Committee is planning a ribbon cutting ceremony for the expanded Tiki Bar. They are going to walk the site of the miniature golf course after the meeting today with Ron to discuss the layout. The Committee is working on a standard operating procedure for the miniature golf course to share with management and the Board. They are also working on revising the current Strategic Plan for the Community.
- d. ECC-Ron Tussel-see attached.
- e. Westcolang Lake Association- Dan Clark-The topic of conversation is milfoil. Masthope and Fawn Lake are spraying the lake. There are people in the village spraying also. Kathy is not spraying due to extenuating circumstances. That could close the front end of the lake and could possibly bind up motors on boats. Gerhard added that they did discuss a speed limit on the lake. That would require legislation. Dan added that enforcement would be difficult.
- f. Documents-Dan Clark-They have the Appeals SOP and changes to the rules and regulations to be approved. Gerhard made his suggestions for revisions to these documents.
- g. Fire Prevention-Jim Fox-We are at a moderate risk for the last few days. There is concern with the orange on the sign that has faded. It looks unsightly. They are trying to rectify the situation. (Dan interjects that he would like Randy to open the road bids at this time. We received 3 bids that Dan opened at the meeting)
- h. Beautification-Leatrice Langer-The meeting was postponed to June 3rd. They are working on a few ideas however it has stalled since maintenance is involved in other projects at this time. The goal is to have a plan for the next budget year. She asks the Board to help with some direction for the committee. She asks Randy how much is in their budget for the year. Leatrice would like to work on the four corners with plantings and getting water down at the corners. Dan Wyatt has become a one-man band with maintaining the plantings in front of POC.

President's Report-Dan Clark-Nothing to report except he has been watching the progress of the Tiki Bar and says that Randy said that it will be ready for Memorial Weekend.

Manager's Report-Randy Schmalzle-see attached. The Tiki is well on its way. He thanks his volunteers that have assisted in the Tiki Bar. We are good for Memorial Weekend. Miniature Golf Course is set to ship June 7th. Ron added that the Tiki grand opening will be June 17th with a ribbon cutting.

Old Business

Appeals SOP-Dan explains that the SOP is an internal document that explains what the duties are for the committee members. Rules and Regulations is an external document meant for the public. The new Board members get a package that outlines their responsibilities as being a board member in an SOP. He continued that even staff members and management get an SOP for their positions. The Board asked for an SOP for the Appeals Committee. Gerhard added that we did not have a lot of detail as to how the Appeals Committee operates. There is a lot of overlap from Rules and Regulations and SOP that was not one to one. The documents should be more standalone documents. Dan would like to invite Gerhard to the Document Committee Meeting to help revise these documents. The next meeting is Saturday, June 10th at 8am.

The Reserve Study-The management team did a lot of work putting together a list of assets in the community. Gerhard presented a proposal to work on a Reserve Plan-we need to analyze the data to find out if we are over or under funded. We should have a detail plan in place. We have RCA, MAR and Food and Beverage funds. Vehicle rotation is a three-year cycle. Putting all this together and making available to know how we manage the funds and see how we manage it going forward. Bruno added that we run a small town here and management does have a plan in place. We will review it and see if we are heading in the right direction. Foster asked if roads should be added to the reserve study. Gerhard answered, that in studies that he reviewed, roads were not a part of the study. Randy added that roads used to be in capital and our accountant moved it into operational. It's hard to put a useful life on roadways. Gerhard stated that from this report you will have an idea of what is coming towards the end of its useful life. It would be a good management tool to help create upcoming budgets. Randy further explained that not everything needs to be replaced at the end of the estimated useful life. It is a guideline. The Board will review Gerhard's proposal and decide in the next meeting.

Camper/Trailer storage-Dan stated that we are basing our decision on our Attorney Alan Young's interpretation of the Covenants. Peter added that Frank Brunette is putting a lattice fence around it with bushes to cover the trailer. James questioned how is the fence going to look. Is this opening up another can of worms? Rose asks if she could address the Board. Dan responded that we need to follow protocol, that she will need to wait until Property Owners Time.

Road Bids-Randy said 2 bidders are very close. One is lower with price per tonnage and one tonnage bid is less than the other. We have experience with both companies and both were positive. Randy continued that he knows that one company can have the work done by July 4th weekend. The other may be able too. Randy would recommend going with a contractor that can get the job done by July 4th weekend.

Wayco's bid was \$248,428 shoulder work 20 per ton
Lindy's bid was \$243,971 shoulder work 22 per ton
Hanson's bid was way over. Tonnage price and tonnage totals were over approximately \$40,000 more than the other contractors.

An electronic motion can be done to move forward. Randy will speak to Lindy to see when they would be able to complete the job. Then he will compile the information and give his recommendation. Gerhard asks how do these numbers

compare with the amount budgeted. Randy said that there was \$250,000 budgeted that includes the shoulders. Randy continued that we may pull one or two of the roads to ensure that the stone work gets done. He added that we got prices on paving the beach house parking lot, boat trailer parking and boat launch. He would recommend taking from the loan surplus. Dan added that to use that money it would need to go up to vote from the membership. That would go out with the July General Membership Meeting Mailing which would allow Masthope to get a quorum needed to have the meeting.

New Business

Beautification Committee-Dan explained that there are inside and outside areas. Should the committee stay away from interior? Beautification should stay with the outside. Some areas are covered by other budgeted line items. James thinks that the Committee needs to put a plan in place. Create a list of where they would like to focus. Ed further explains that there are other budgeted areas that do not include the funds for Beautification. Randy added that they should create a plan. He said that the Committee has \$20,000 in the budget. Dan Wyatt has been a great asset in finding plantings that the deer do not eat. Discussion ensued about the scope of the Committee and areas that maintenance maintains. This is a strong Committee and Leatrice needs to be "the mom" of the Committee. Dan brought up a pet peeve of his. He would like the flag poles to be adjusted. The American Flag needs to be the highest of the three flags. Bruno asks Leatrice if there is any particular area that they would like to focus on immediately. She said that they were working on plantings and the four corners. Now is the time to purchase the plants according to Dan Wyatt. The front of the ski building needs work. Dan asks what is going in place of the diseased evergreens that are removed. Randy informed the members how a tree fell down right outside of the pool. We just cleaned up and seeded that area. That would be a good focus of the Committee, to decide what should be done in the areas where trees were removed.

Peter has 3 things for New Business. See Ron's email. Attaching items to trees need to be addressed, storage pods being used as a shed, and solar panels. We also need wording for storage of travel trailers.

Randy explained that it was in the rules and regulations about attaching items to trees. It is not there right now.

We need to address the fine structure for repeat offenders. We have a 3-tier fine schedule. 4th fine should come to the Board of Directors. We do have repeat offenders and we have property owners that keep racking up fines that exceed the value of their property. We have spoken with Alan Young's partner, Greg Milaska. He had some recommendations. We don't have anything specific for civil actions. We should have something attached to the fine schedule. He will share Greg's recommendations at the next meeting. Discussion ensued about different fines and scenarios. Grandfathering is addressed in regards to certain rules and regulations. Grandfathering overall is a nuisance. When a property transfers the grandfathering ends. Gerhard feels that we have a complex fine schedule. He would like to revise the fine schedule to try to simplify it. Randy stated the he will meet with Ron, Lou and Kelli to discuss the fine schedule before the Document Committee Meeting.

MOTION 01:05:20:17

Whereas the by-laws requires for the Audit Committee to consist of a chairperson and a minimum of 3 and a maximum of 7 members

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the appointment of Paul Wigsten and Rich Little to the Audit Committee. Both of these members are CPAs.

FIRST: DAN CLARK

SECOND: BRUNO DEVINCK

MOTION PASSES: FOR 9, AGAINST 0

Property Owners Time 10:26am:

Rose Perrotti 164RF-Its interesting how there was a 20-minute discussion on the Beautification Committee and attaching items to trees but no discussion about the travel trailers. Ed and Peter stated that the decision was based on Alan Young's interpretation and advisement. Rose quoted the Covenants. She doesn't understand how this can be allowed. She thinks it is clearly stated in the documents about no travel trailers. James read Alan's response. He felt it was mind numbing since both sides make perfect sense. He feels that the Board needs to decide if they want travel trailers allowed or not. Foster said that when someone decides to sue us in regards to this he wants our attorney to defend us. Rose added that the Board has a duty to enforce the Covenants, they are the governing documents. James stated you should buy a property that can accommodate what you want. Rose added now the property owner is parking their cars on the road which is not permitted and not being enforced. Gerhard stated that Rose makes a valid point. He didn't see a big opening way for Alan's interpretation.

Dan and the Document Committee met with Alan Young back in March. He addressed ECC's roles and responsibilities, that are stated in the Covenants. The committee is trying to merge the 2 documents. The Covenants were created by the developer. They need to get modified. Masthope would need 2/3 approval from all of the property owners to change and merge the Covenants. Gerhard feels that the Board should have a position and ask our attorney for an idea as to how to implement the position. Ed clarified that they did not grant a variance for this travel trailer. It states it can be in a garage or attractively screened. Peter read a segment from the Covenants. Rose also read from the Covenants. Discussion continued.

Mike Seyfried 157MR-The Summit has the best pizza in the region. Joe Gattuso is one of the nicest person that he has met. He should have his job at the Summit forever. We have 2 different Covenants with different restrictions for each side. If you live on the side that says no to something, you should abide by the Covenants. He thinks that sometimes too much can be read into the Covenants. It seems as though Masthope owns everything outside of the house of property owners. He feels that the Board can take things overboard. How can they make Masthope less fun? Bruno answered that with 2 Covenants he feels that a court would side with the less restrictive side and the Board as well.

Skip Lavigna 150MR-He went into the shed and the items inside are in horrible condition. He would clean it out. Randy agreed that they are aware of the sheds and contents and there is a to do list that they have just not gotten to at this point in time. There are chairs behind Duke's shed and he wanted to know if we use them. Randy answered yes we do.

Carl Harrison 22FW-Peter brought up solar panels earlier. Carl wants to know what would be considered not be pleasing to the Community in regards to placement of panels. Peter stated that at this time there is no federal incentive for having panels. Carl added that there should be some sort of parameters set.

Mike Seyfried 157MR-Enjoys his lighting that he has in his yard. Is there some rule that he cannot have outdoor lighting? The only restriction is not mounted to a tree or nuisance lighting. He then asked is there a difference between a pool and hot tub. Randy said a hot tub is different and allowed.

Leatrice Langer 458MR-She would like to let people know why the trees were taken down. Randy suggested that the Beautification Committee draft up a letter and we will publish it.

Robin Hoose 121FW-Has the community considered using solar or windmills to help reduce electric usage. Randy responded yes it was looked into however that it would be too costly. There are no longer federal incentives to go green.

Mary Apuzzo 919FW-The times on the timers need to be changed near the ski building. Randy will check the times.

Rose Perrotti 164RF- Suggests to use Constant Contact about employment needed. She knows the issue about property owners with fines. She suggests that maybe we could do something like community service. The Covenants say that we can clean-up properties. Randy says that the attorney says absolutely not.

John Grandy 6CM-If the problem is the lights on the tree, outlaw the lights. Don't outlaw nails and hooks. They will not damage the trees. Randy said the problem is where is the line in the sand. Who is to say that someone isn't going to nail 40 things into the trees. Peter said there was a problem on Rainbow with that scenario. John continued that the problem isn't the trailer but the parking cars on the street. The cars on the street is the neighbor, not Mr. Brunette and it has been addressed.

Susan Schultz 164RF-Gives her minutes to Rose. Rose continued that maybe some property owners cannot clean up their property. Maybe Masthope could help-Randy said that is not a business that Masthope wants to get into however, we will work with the property owner.

Mike Seyfried 157MR-He suggests looking into hydroelectric power for the Mountain. As a dues paying member he feels that he has every right to hang items from his trees.

Meeting Adjourned 11:12am.
Executive Session began 11:22am.
Executive Session ended 11:45am
Open Session began 11:45am
Meeting adjourned 11:46am

Treasurer's Report Period Ending April30, 2017

<u>Collections</u>	<u>April 2016</u>	<u>April 2017</u>
Total	2,056	2,047
Billable	1,757	1,748
Paid in Full	1594-91%	1606-92%
Outstanding	183	162
Bad Debt Lots	48	53

Unrestricted Income and Expense-YTD

	<u>April 2017 YTD</u>
Revenues	\$2,597,130
Expenses	\$2,530,028
Net Surplus (Deficit)	\$67,102

Summit Income and Expense-YTD

Revenues	\$1,509,163
Expenses	\$1,358,797
Net Surplus (Deficit)	\$150,366

Market Place Income and Expenses-YTD

Revenues	\$429,083
Expenses	\$446,328
Net Surplus (Deficit)	(17,245)

Summit/Market Net Surplus (Deficit)-YTD **133,121**

ECC Code Officer Monthly Report May 2017

Date	Type of Permit	Property Owner	Lot Number	911 Address	Permit #	FEE
5/1/2017	dumpster	Clark	555RM	806 Firelight	15164	
5/1/2017	garage	Clark	555RM	806 Firelight	21011	150
5/2/2017	propane	GA Homes	19MR	107 Paul Revere	15165	
5/2/2017	propane	GA Homes	641FW	102 East Lakeview	15168	
5/2/2017	propane	GA Homes	91FW	107 Eagle Rock		
5/2/2017	paint/stain	Wigsten	551FW	212 Tanager	9671	
5/2/2017	paint/stain	Ricciards	33FW	182 Westcolang	9672	
5/2/2017	tree	Galmer	1106RF	155 Rainbow	20561	
5/2/2017	tree	Sogolov	347MR	163 Powderhorn	20562	
5/2/2017	tree	Sleck	791MR	101 Liberty	20564	
5/2/2017	tree	Harper	192FW	130 Robin Way	20565	
5/2/2017	tree	Hartman	364MR	155 Karl Hope	20566	
5/2/2017	tree	Tesoriero	826MR	156 Lower Ind	20567	
5/2/2017	tree	Webb	958MR	103 Lower Ind	20568	
5/2/2017	tree	Carollo	350MR	147 Powderhorn	20563	
5/2/2017	propane	Caruso	307FW	105 Owl Court	15169	
5/2/2017	sign	Apuzzo	536MR	536 Firelight	20529	
5/2/2017	new home	Russo	426MR	107 Log Cabin	21012	660
5/2/2017	new home	Smart Start	1239FW	306 Falling Waters	21013	660
5/4/2017	burn	Magistro	1071FW		18896	
5/4/2017	burn	Seidel	578MR		18895	
5/8/2017	paint/stain	Greene	171MR	237 Powderhorn	9673	
5/8/2017	paint/stain	Puleo	879FW	261 West lakeview	9674	
5/8/2017	paint/stain	D'Arcy	222FW	127 Robin Way	9675	
5/9/2017	propane	Reinhardt	480RM	110 Plateau	15170	
5/9/2017	decks	Belousov	629FW	231 Falling Waters	21014	75
5/9/2017	decks	Ferentz	793MR	133 Lower Ind	21015	75
5/11/2017	burn	Impastato	367FW		18897	
5/11/2017	paint/stain	Simon	316MR	108 Powderhorn	9676	
5/11/2017	new home	Stygar	243MR	301 Powderhorn	21016	660
5/12/2017	burn	Clark	555RM		18898	
5/12/2017	burn	Davignon	510RF		18899	

Managers' Report

May 20, 2017

Projects:

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1. Tiki – On schedule for memorial weekend opening. A remaining work scheduled for this week including roof, bar top, gates and siding. Equipment all in place.
2. Top of Mtn – Work continues
3. Mini Golf – Delivery set for June 7th opening for July 4th
4. ATV training center approved by Township.

Public Safety

1. Seasonal staff in place.
2. Will be offering a Golf Cart training course.
3. Camera work continues around top of mountain and tiki area.

Maintenance

1. Road Bids opened today.
2. Water main on heritage well under way.
3. Water at front gate in process.
4. Summer staff in place.
5. New manager starts this week.
6. Grounds clean up continues.
7. Will return to some project work after Memorial weekend.
8. Pool – Normal start up headaches, looking for a leak.
Contractor will be in Monday.
9. Final walk around will be this week.

Summit

1. New menu is out, great new items.
2. Seasonal staff is in place.

Administration

1. Activities staff in place and working this weekend.
2. Activities center to be completed this week.
3. Checkers and Guards – There is a major shortage in guards, looking for adults or children. There is a four day training course paid for by Masthope we hope to gain numbers.
4. Still in search of a better employee health insurance option.
5. Auditors have started annual audit. Anticipate no issues.