

**Masthope Mountain Community
Board of Directors Meeting
March 24, 2018**

Transcriber: Kelli Myers
Beach House

8:32 AM Meeting called to order and Pledge of Allegiance said.

Roll Call: Present –Bruno DeVinck, Dan Clark, Ed McClary, Michele Torre, Jim Fox, James Graziano, Peter Torchio, Rich Neidkowski and Gerhard Buhler.

Absent: Foster McCoy and Eugene Principe

Dan asked for approval of the agenda. There will be three motions presented in New Business.

Agenda approved unanimously.

Dan asked for the Approval of the Minutes from the February 24, 2018 Board of Directors Meeting.

The Minutes were approved unanimously.

Treasurer's Report- for period ending February 28, 2018. Gerhard Buhler-see attached.

Treasurer's Report was approved unanimously.

Correspondence Report- Dan Clark-Received correspondence from Mike Seyfried. See attached-Michele read aloud.

Foster called for Committee Reports

- a. Ski & ATV-Sheldon Langer-There is still skiing on the Mountain. Randy added that attendance is low and feels that most people have had enough snow. Ski will be open this weekend. Sheldon continued that he is still receiving calls for the ATV training class. He was able to book the ATV simulator for the July 7th Carnival. (Masthope's Annual 4th of July BBQ)
- b. Audit-Maria Porter-No report.
- c. Strategic Plan-Vickie Graziano-The Committee is still working on revising the Strategic Plan for the Community. It will be ready to be presented to the Board soon. The Committee is looking at finishing touches that need to be done at the miniature golf course. They are working with the Beautification Committee for signage at the course.
- d. ECC-Ron Tussel-see attached. Randy thanks everyone for complying with the road weight restrictions. The contractors were cooperative.
- e. Westcolang Lake Association- Dan Clark-The next meeting is April 15th.
- f. Documents-Gerhard Buhler-The Committee is still working on revising the Covenants. They are one meeting away from giving it to the attorney to review.

- g. Fire Prevention-Jim Fox-Smokey went to Florida for a couple of weeks.
- h. Beautification-Leatrice Langer-The Committee has received some logos for the community to review. The Committee retained the services a professional designer from Lackawaxen. Leatrice handed out the logos to the Board and asks them to vote their favorite one. Dan asked if there is more work to be done on the logos. If they wanted more options, then she would need to be compensated hourly. Gerhard pointed out that logos need to be clear even if they are small thumbnail pictures, they cannot have too much detail. Dan asked if there is money left in their budget. Lukus has some ideas that he may present to Leatrice. There is money budgeted in next year's budget for the Committee. Randy added that he is evaluating the trees that were lost during the blizzard. Some trees were good to have lost however some need to be replaced. He will be coming to the Committee with that information.

President's Report-Dan Clark-There was a lot of adversity that the staff had to contend with due to the winter storms. Stable staff had to walk through the woods to care for the animals. Public Safety, Maintenance, Summit and all the staff worked diligently throughout the storms. Dan expressed his appreciation to management and staff for all their hard work throughout the storm. There are five openings coming up in July for the Board of Directors. There are SOP's for board members that layout what their responsibilities and duties are. Dan wants Kelli to order the official book *The Board Member Tool Kit* for all the current board members. The Board must act in the best fiduciary interest of the community. He continued that Ron and Randy have always had an open-door policy. According to the SOP, the president is to act as a direct liaison between the board and management and personnel. There is a code of conduct to create an atmosphere of respect and stability for other board members, members and staff. New board members receive a packet of the Covenants, Bylaws, Handbook, and the SOP. They are expected to read the material and uphold the standards laid out in the new member packet.

Manager's Report-Randy Schmalzle-see attached.

Old Business:

Gerhard expresses appreciation to staff members for all their hard work during the winter storms. Dan added that he wrote a three-page article for the newsletter that explains what transpired during these crippling storms, the proposed changes to covenants and his appreciation for staff members. He wrote this article because it is sent out to every property owner. He realizes that not everyone uses social media and he wants all members to know what has happened and what is coming in the near future.

Gerhard wants to communicate with members, so they are aware of the proposed changes to the Bylaws and Covenants. The Bylaws have complex rules regarding reserves. He and the Budget Committee are working on simplifying it. The Committee will be meeting after this meeting to discuss the revisions. They are working diligently on this, so it will be ready to be mailed out for a vote at the November General Membership Meeting.

James explains that there was a townhall to discuss the number of ATVs/UTVs/Golf carts. There were approximately 50 in attendance. Gerhard tallied up the opinions from the meeting. The current rule is 4ATV/UTVs and 2 golf carts.

39% would like a total of 4 vehicles with no distinction

35% would like the rule to stay as is (4 ATV/UTVs and 2 golf carts)

24% would like 6 vehicles with no distinction (allowing for 6 ATV/UTVs)

James is proposing to change the rule to 4 vehicles with no distinction. He states that 74% of the opinions favored no additional ATV/UTVs. Bruno thinks James made a good point and would support his motion. Research shows that only one property owner would be affected because they had more than 4 vehicles registered already. They would be grandfathered. Sheldon informed James that people are now retro fitting golf carts. They have 115hp and they are racing them. We do not want that to happen here. Michele is going to draft up the motion to change the number of recreational vehicles.

New Business:

Dan proceeds with the motions for management's contracts.

MOTION 01:03:24:18

Whereas there is a need for a new contract with Management and whereas Article III, Section U, Subsection 1 and 2 gives the Board authority to make contracts with managing agents not to exceed 3 years:

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the contract with Recreation Management commencing on May 1, 2017 and terminating on April 30, 2018. The contract is attached to this motion.

FIRST: DAN CLARK

SECOND: BRUNO DEVINCK

MOTION PASSES: FOR 9, AGAINST 0

MOTION 02:03:24:18

Whereas there is a need for a new contract with Management and whereas Article III, Section U, Subsection 1 and 2 gives the Board authority to make contracts with managing agents not to exceed 3 years:

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the contract with Recreation Management commencing on May 1, 2018 and terminating on April 30, 2019. The contract is attached to this motion.

FIRST: DAN CLARK

SECOND: ED MCCLARY

MOTION PASSES: FOR 9, AGAINST 0

MOTION 03:03:24:18

Whereas there is a need for replacement of the low voltage monitoring system and drive on the Little Bear Lift and replacement of the low voltage system on the Grizzly Lift. Both lifts will require a comprehensive load test which is required by the state every 7 years and is due this year.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the expenditure of up to \$52,250 from the Ski MMA for work on the Little Bear and Grizzly Lifts. The cost of replacement, permitted, installed, and inspected is:

Little Bear \$28,250

Grizzly \$24,000

FIRST: DAN CLARK

SECOND: GERHARD BUHLER

MOTION PASSES: FOR 9, AGAINST 0

MOTION 04:03:24:18

Whereas there is a proposal for continued expansion of the snow making system

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the expenditure of up to \$25,000 from the Ski MMA for the installation of 5 additional electric fan snowmaking guns, purchase and retrofit of used guns for \$3,500 each totaling \$17,500 for guns and \$7,500 for electrical and installation.

FIRST: DAN CLARK

SECOND: JAMES GRAZIANO

MOTION PASSES: FOR 9, AGAINST 0

MOTION 05:03:24:18

Whereas there is a need for generators at the maintenance area and stables

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the expenditure of up to \$10,000 from the Board Capital Contingency funds for the purchase of generators for the maintenance and stable areas.

FIRST: DAN CLARK

SECOND: MICHELE TORRE

MOTION PASSES: FOR 9, AGAINST 0

Property Owners' Time:

Leatrice Langer 458MR-Could there be another novel idea for an off-road vehicle that would be covered under this rule? James stated that ATV/UTVs have to be registered with the state. We may have to adapt the rules to accommodate new vehicles. Sheldon added that we need to give guidance on the rules to the office and public safety since there is no differentiation. Dan clarified that the rules are clear, and nothing has really changed in the registration process.

Mike Seyfried 157MR-He reiterated the current rules for the number of recreational vehicles. The group that wanted six of anything will be affected negatively because now they cannot have 4 ATV/UTV and 2 golf carts. He continued that the side by side operator is supposed to be licensed. How does public safety know that the operator is licensed? Changing the rule would be harming property owners.

Paul Mora 643MR-39% don't want a change at all-James clarified that 39% wanted the number reduced to 4 vehicles. Paul continued that if you add the ones that wanted no change 35% and the 29% that wanted six of anything. James explained that the Community does not vote on these issues and that he had advised the Board that the majority of attendees at the meeting preferred a rule change. Gerhard corrected James that it wasn't a majority but rather the option with the most support. Point #2-not just one person is affected, it is a farce that one person is affected. He and others want 6 ATVs. They are affected. Most people that have ATV's have no use for golf carts. The goal of the townhall was not to add more golf carts. Paul said that he wants an ATV for each member of his family just as he has a ski pass for each member. James explained that just like you cannot have 5 ATVs, you cannot have 5 jet skis or 5 boats. Discussion continued.

Danielle Mora 643MR-The majority wanted no change. There should be no change.

Mike Seyfried 157MR-With the situation being what it is, can the Board table this topic until next meeting? So, then there can be a more rational conversation. James stated he has been trying to push this topic to come to a conclusion. Paul argued that James did not want this voted on without more feedback from the community (townhall). Paul feels that James pushed this off. James commented to the Board, that if they this motion is not approved then he is going to propose a motion to define golf carts and limit them to 15hp so that we get ahead of the curve before souped up golf carts become an issue. Dan asked if Randy had an opinion on this motion. He replied that he did not, and the Board should use their best judgement.

MOTION 06:03:24:18

Whereas a townhall meeting conducted on 2/24/18 revealed that the majority of property owners supported a rule change for ATV/UTV/Golf carts.

Therefore be it resolved that the Masthope Mountain Community Board of Directors revises the Property Owners Handbook Rule in Section-Vehicle Registration and Insurance B9 to read- the deeded property owner of an improved property may register a maximum of four ATV/UTV/Golf carts with no distinction between vehicles.

FIRST: JAMES GRAZIANO

SECOND: DAN CLARK

MOTION PASSES: FOR 6, AGAINST 3

Dan informed the membership that Eugene fell off a roof. He was airlifted and spent a week and a half in the hospital. He broke his T-12. It is going to take him awhile to recover. Yolanda saw Eugene and called 911. Randy stated that he thinks that the Board should make a motion to excuse his absence. James stated that he doesn't feel they have the power to do

that. They can reinstate him to the Board if he has too many absences. Dan would like to allow more call-ins to be permitted. The Bylaws would have to be revised to accommodate this change.

Randy hands out the proposed revised lake and pool rules from the Pool Committee. It will be discussed next meeting. He informs the Board that there is a legal issue for executive session. Peter asked if the office composed a letter to the state about Plank Road. He answered no. The office will work on it. Dan read a letter from the News Eagle in regard to Westcolang Road. The township will begin a 3-4-year project to fix the road. Sheldon added that it will be a million-dollar project.

Mary Apuzzo 919CF-Can the community get generators as a large group to cut costs? Randy would not recommend that to the Board. A similar project was done 16 years ago and it was a disaster.

Leatrice Langer 458MR-Plank Road is a state road. You can complain to Penn Dot. They will send you a confirmation that they received it. She urges everyone to contact Penn Dot. There are some trees along that road that could be hazardous. Penn Dot stated that they are working on cleaning up from the storm. She asks if we could put something in the Messages urging everyone to contact Penn Dot.

Karen Spano 541MR-Asks about a deer cull? Dan stated that we are not considering a cull. We are filling out applications for D-Map. This would allow bow hunting for a limited time in a designated area. 46 permits would be requested, and a hunter could get no more than 2 permits. She asks why we would want to do this. Randy answered because of the health of the herd and the health of the environment. Humans have created a safe zone for these deer. There are not enough natural predators to keep the number of deer down. Randy continues that the size of our deer are much smaller than other areas. Hide Out, Hemlock and Saw Creek have all done culls. Karen feels that culls are a waste of money. Dan repeated that we are not considering a cull.

Mike Seyfried 157MR-Thanks James for running the townhall. He did a good job. Hopes that there are no hard feelings. He just wants to see things done fairly. How is public safety able to determine the age of the operator of a side by side? Can there be a mechanism put in place like arm bands to show age category. Randy responds that public safety does check the ATV/UTVs. There is a one-person ATV that looks like a side by side. It is registered as an ATV-Polaris Predator. Mike asks that if there are multiply offenses by a property owner what happens? Randy responded that the offender would have to go in front of the Board. Mike thanks Kelli for posting his pictures. He thanks Randy and Gerhard for posing for a picture during the profit sharing check presentation.

Bill Messinetti 852FW-Is Masthope using Facebook as the main form of communication? Could the Facebook link be made more prominent? He continued that he thinks Joe does a great job and he is very dedicated. He would like the ones involved in the restaurant to go out to near by restaurants to check out their pricing and size portions.

Skip LaVigna 150MR-Public Safety does stop the kids. Public Safety know most of the kids. People complain about public safety writing tickets. That is what they are supposed to do. People need to stop complaining. Randy added that there is zero tolerance for ATV/UTV infractions.

Carl Harrison 19FW-In regard to Facebook and how the members were kept informed during the storm, a Fawn Lake resident complimented Masthope with their updates. Is skiing as profitable over the years? How does weather affect the business? Ron Schmalzle answered that Ski is a very difficult business now and then. Poor weather conditions like during President's week, you cannot recoup that. There are great days also. Skiing is not a growing sport. They need to keep changing and keeping up with trends. Members need to remember that we are not a commercial mountain. He thanks Carl for asking. Ron wanted to address Bill Messinetti's comment about communications. During the winter storm, Facebook was the only option. There was no phone service or internet service. We had some cell service which allowed for some communication. Discussion continued comparing Twitter and Facebook.

Mike Seyfried 157MR-Agrees that Twitter is a better form of communication. He suggests creating a certain hashtag for alerts.

Leatrice Langer 458MR-Commends James for the townhall meeting. Commends the Board for passing the motion decreasing the number of recreational vehicles.

Bruno thanks Ron and Randy for their crisis management. They did a great job.

Karen Spano 541MR-Thanks the Board for their hard work. She acknowledges that it is not an easy position to hold.

Meeting Adjourned 10:41am.
Executive Session began 10:51am.
Executive Session ended 11:20am.
Meeting Adjourned 11:21am.

Treasurer's Report for Period Ending February 28, 2018
Unaudited

Collections - YTD

	Feb 17	Jan 18	Feb 18
Total	2051	2045	2045
Billable	1752	1745	1745
Paid in Full	1590	1605	1611
Percent	90.8%	92.0%	92.3%
Outstanding	162	140	134
Total Bad Debt Lots	53	53	53

Unrestricted Income and Expense - YTD

	Feb 17 YTD	Jan 18 YTD	Feb 18 YTD
Revenues to date	\$2,530,892	\$2,550,290	\$2,584,037
Expenses to date	\$2,205,799	\$2,112,862	\$2,276,308
Net Surplus (deficit)	\$325,093	\$437,428	\$307,728
Margin (Net/Revenue)	12.8%	17.2%	11.9%

The Summit - YTD

Revenues to date	\$1,383,419	\$1,190,039	\$1,397,309
Expenses to date	\$1,199,510	\$1,141,173	\$1,279,792
Net Surplus (deficit)	\$183,909	\$48,866	\$117,517

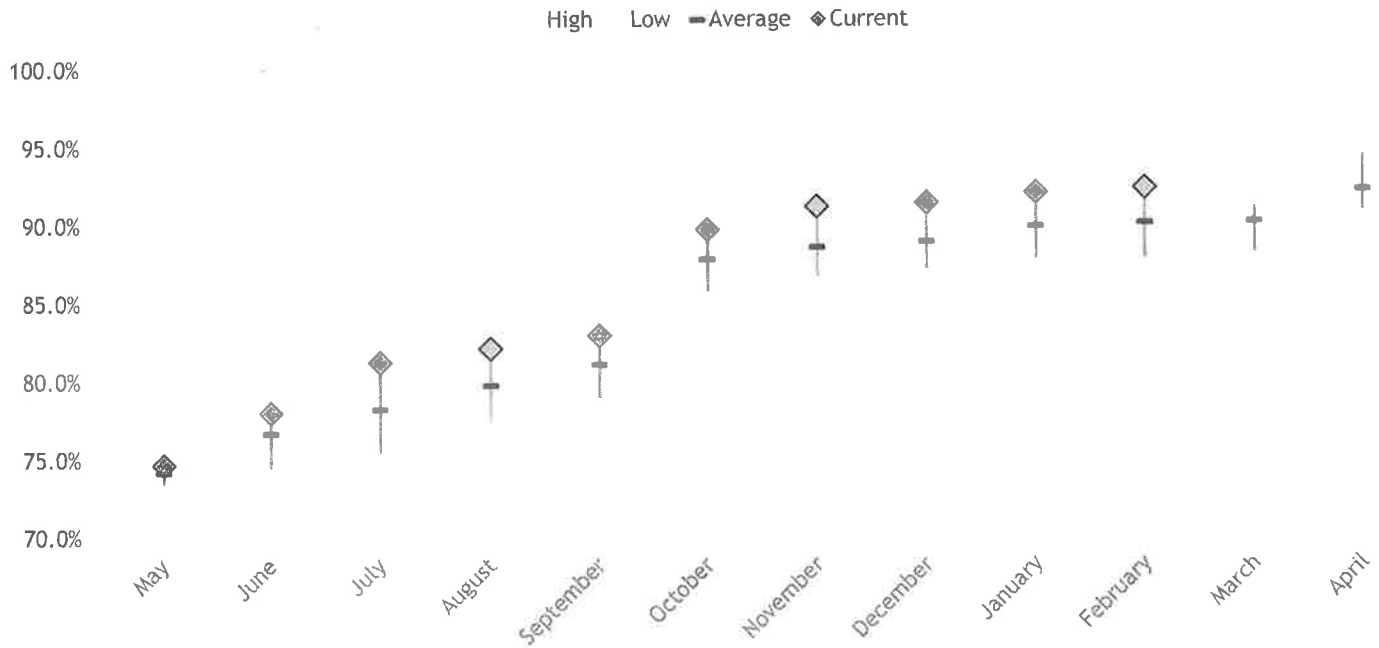
The Market Place - YTD

Revenues to date	\$382,668	\$381,688	\$421,688
Expenses to date	\$388,272	\$413,920	\$451,892
Net Surplus (deficit)	(\$5,604)	(\$32,231)	(\$30,204)

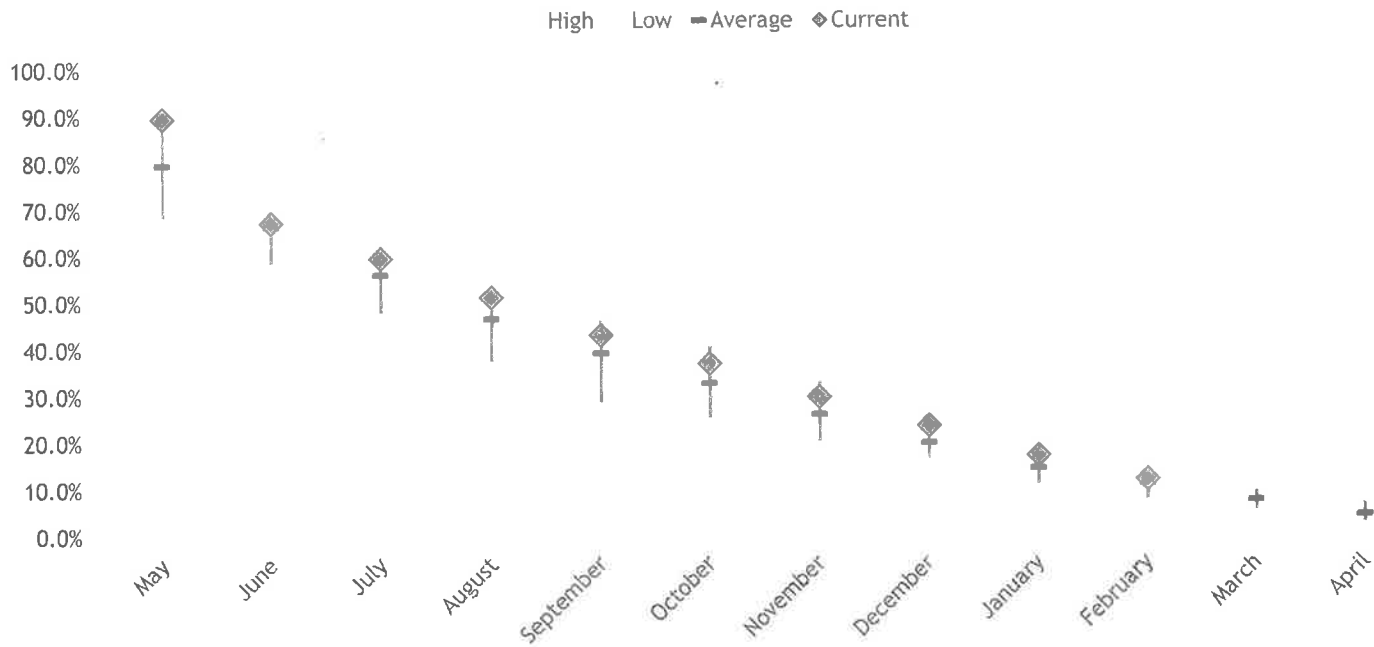
Summit/Market Net Surplus (Deficit)

	\$178,305	\$16,635	\$87,313
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COLLECTION CHART - YTD



OPERATIONS CHART - YTD OPERATING MARGIN



Managers' Report

March 23, 2018

Projects:

1. Top of Mtn – Work continues.
2. Water tower – Work is continuing.

Public Safety

1. Worked closely with maintenance department to deal with storms and notifications to utility companies.

Maintenance

1. Plowing continues.
2. Removing damaged trees from the storms. Many ornamental spruce trees were up-rooted and not salvageable.
3. There will be a lot of roadside work that will be needed this year.
4. Paving plans are going to be developed and will be presented next month.
5. Spring planning is underway for all areas in the community.

Summit

1. Winter season continues, after being hurt by some unseasonal weather we are now benefitting from late snow.
2. Summer menus and new ideas are being developed.

Administration

1. Invoices went out this week.
2. ATV and Boat stickers will become available after members pay 2018/19 dues are paid.
3. Payment plan information was included in the mailing.

Management

1. Little Bear and Grizzly lift control systems. These systems are more than 20 years old and have become an operating liability. The repair is replacement of the low voltage monitoring system and drive in Little Bear. Grizzly will need the low voltage system replaced.

This work will require a comprehensive load test which is required by the state every 7 years and is due this year.

The cost for both systems permitted, installed and inspected is:

Little Bear -	\$28,250
Grizzly-	<u>\$24,000</u>
	\$52,250

Funding would be from the loan surplus funds.

2. Snowgun Purchase – Proposed continued expansion of the snow making system. Install 5 additional electric fan snowmaking guns, purchase and retrofit of used guns \$3500 each totaling \$17500 for guns and \$7500 for electrical and installation.

Total cost of project \$25,000.

Funding would be from the loan surplus funds.

3. Generator for the stables and maintenance area. During the past storm the stables was out of power longer than anywhere in the community and it makes sense that the maintenance area have power as these are the people who are working during power outages.

Cost for equipment \$10,000, funding would come from Board discretionary capital.