

**Masthope Mountain Community
Board of Directors Meeting
June 23, 2018**

Transcriber: Kelli Myers
Property Owners Lounge

8:31 AM Meeting called to order and Pledge of Allegiance said.

Roll Call: Present –Bruno DeVinck, Dan Clark, Ed McClary, Foster McCoy, Gerhard Buhler, Jim Fox, James Graziano, Eugene Principe and Rich Neidkowski.

Teleconference: Michele Torre

Absent: Peter Torchio

Dan asked for approval of the agenda. Randy has four items for Executive Session.

Dan asked for the Approval of the Minutes from the May 26th, 2018 Board of Directors Meeting.
The Minutes were approved unanimously.

Treasurer's Report- for period ending May 31st, 2018-Gerhard Buhler-see attached.
Randy added that May was a month with 3 pay periods. That is why May has a deficit.
Treasurer's Report was approved unanimously.

Correspondence Report- Dan Clark-There was a lot of last minute correspondence. There was an ATV complaint from Ivy Snow. Randy stated that will be addressed in Executive Session. There was a complaint about contractors parking in Lot C. Randy responded that was already handled. Dan read aloud correspondence that addressed the growth of the community and is concerned about it becoming overdeveloped. Dan explained about Masthope's adjacent lot policy program that they once offered to control the amount of growth in the community. He also explained that the community owns hundreds of lots that are greenspace. The community has no intention of developing them. Dan acknowledges the increase in the development of the community but there is very little that the Board can do about. The Board is open to suggestions. He received a request from an individual that would like to get rid of his property, that appears unbuildable. He is current on his dues and is a member in good standing. James asked if he wanted Masthope to purchase it from him. Dan answered that he did not. He just want to give it to the community. Dan feels that this should be further discussed in Executive Session. Caroline DeSimone sent correspondence stating that she is against the DMap Program. Ed explained that we just filed for permits. Dan continued that we received the permits however it will NOT go any further without more feedback from property owners.

Foster called for Committee Reports

- a. Ski & ATV-Sheldon Langer-The ATV Training area has been challenging. It has been torn up by operators. Jim Porter helped clean it up with him. He thanks Tom Thompson for all his support. No one has volunteered to join the working ATV Committee and it has been advertised. The ATV simulator will be at the July BBQ. They could use volunteers to help with the simulator also. Sheldon continued that he has 2 ATV Training Classes scheduled 7/15 and 7/22. Jim Fox asked how many signed up. Sheldon explained that he had 60 inquiries.
- b. Audit-Maria Porter-The Committee has reviewed the previous auditor's comment letter and they were working on correcting the items that were questioned. The ATM reconciliation is done. The Committee is working on the change machine reconciliation. The Committee's next project will be analyzing the inventory list for Masthope.
- c. Strategic Plan-Vicki Graziano-Asked the Board if they had any feedback on the Strategic Plan proposal that the Committee submitted last week? Gerhard answered that he is almost done with his review and he will have it for her next week.
- d. ECC-Ron Tussel-see attached.
- e. Westcolang Lake Association- Dan Clark-There is a meeting on the fourth Sunday in July.
- f. Documents-Gerhard Buhler-We are working through the comments from the attorney on the Covenants.
- g. Fire Prevention-Jim Fox-Smokey hasn't changed positions. Masthope must follow what Forest Fire Department states for fire risk.
- h. Beautification-Leatrice Langer- She clipped some of the dead pieces away from the boxwoods at the four corners the other day. Phyllis Cobban has done a lot of work cleaning up the four corners. She has done a great job. James added that it does look great down there.

President's Report-Dan Clark-Nothing to report.

Manager's Report-Randy Schmalzle-see attached.

Foster compliments Tom Thompson and adds that he is an asset to the community. He is a real hands on maintenance manager. Randy agrees that he is an asset.

Bruno asks if Aqua will remove the old water tank? Randy answered yes. It will be removed. Bruno expressed concern about certain areas of the roadway and edges. Randy explained that the road bid does include 2-foot shoulders in some areas.

Jim asked about the road treatment presentation that was presented to the Board. Randy explained that it is not in the budget this year, but we will reevaluate it for next year. Foster explained that the road budget was decreased this year. James asked if they would be willing to do a pilot section of a road for the community. Randy agreed that it was a good idea and will ask the company if that would be a possibility.

Old Business:

No Old Business.

New Business:

Gerhard sent out a draft of the Bylaws with comments from the Budget Committee and Document Committee and legal counsel to the Board in mid-May. He is handing out a dossier to the Board, showing them what the proposed Bylaws would look like. Over the last six months, The Budget Committee has been reviewing the reserves and the reserve rules that are currently in place. They made some revisions and gave them to the Document Committee for review. The goal is to streamline the guidelines for the reserves and bylaws and define planned vs unplanned spending. The changes are clearly identified in the document. Randy added that this ties into the capital reserve study that they were doing. Gerhard is requesting a motion to go before the Board approving this draft to go before the Community for a vote at the November General Membership Meeting. Dan read the motion. Foster read the motion that is requesting a wording change in the fine schedule in the Property Owners Handbook in the ATV, UTV, Golf cart section.

Property Owners Time:

Mike Seyfried 157MR- Regarding the dock issue during Randy's manager's report, he feels that the Board should not be involved concerning the construction of a platform, especially with the lake. Karl Hope wanted the lake to stay in a natural state. He continued that he doesn't like docks on the lake. He is concerned that it may take away from the aesthetics of the lake. He reiterated that this is not a Board issue, there are rules already in place.

Rose Perrotti 164RF-She apologizes that she missed the correspondence part of the meeting. She knows that Ivy Skow sent the Board a letter and she was wondering if it was addressed. Foster explained that it was tabled until Executive Session. She added that the Skows have been living under horrible conditions with the noise and more. Eugene asked if that was the lady that was upset at the ATV meeting? Randy responded yes it was. Foster added that Rose's comments are helpful. Randy explained that this is being addressed in Executive Session because legal is involved.

Leatrice Langer 154MR-In the past, correspondence was read to members. Today it was summarized. She understands that the one that deals with legal needs to be addressed in Executive Session. She doesn't understand why the others were read aloud. Foster and Dan explained that some are based on a personal natural. This is not to say that it may be read aloud at a later date. The Board needs to discuss how correspondence should be handled.

Vicki Graziano 27MR-Regarding correspondence, if the letters were looked at ahead and the members only hear a little of it, it tends to be confusing for the membership. Randy added that these letters were received yesterday and there was not enough time to review. Dan saw these emails this morning. James stated that if they are received late, it should be addressed

in the following meeting. It was discussed whether to acknowledge the letter in the current meeting however state that it will be discussed in the next meeting. Randy explained how his township addresses correspondence in their meetings. A brief discussion ensued.

Nick Caruso 307FW-Requests that branches be trimmed away from the signs in Masthope. Randy will address the issue.

John Grandy 6CM-Addresses the previous request; Skip and he went around the community trimming bushes to solve that problem. They tried not to miss any. He asked what corners were there issues? Nick stated Falling Waters and Eagle Rock area. Randy stated that maintenance will be addressing every sign in the community. They will cut them more, so the problems will be resolved. He acknowledged that Skip and John did a great job. Jim added that some of the numerical signs were missing and would like to see the replaced. Bruno recognizes Skip and John's hard work for the community. He thanks all of those who volunteer.

John Grandy 6CM- At the transition from Paul Revere into Karl Hope Blvd, the plows sometime get stuck in a seam. He would like to see it get repaired. He would like to see surveillance on Remembrance Pond. Kids are picking up pavers and throwing them in the pond. He has been picking them out of the pond and is going to put them back in place.

Mike Seyfried 157MR-The pond looks great. He thinks they need another aerator for the front of the pond. He feels it looks murky. He notices riders on golf carts not wearing helmets or wearing bicycle helmets. Public Safety should be aware of that. He asked when one cart gets pulled over and all riders don't have a helmet, does each one get a ticket or is it one per vehicle. Randy answered that it is per vehicle not individual. DOT helmets are required, and public safety is writing citations for that violations.

Maria Porter 1246FW-Asked if the ATV training course could be fenced off or the damage will happen every year.

Ed Barker 9MR-Six months ago there was speculation about a ski audit. It would show who owns what items. Was anything done? Ed and Foster answered that it was not an audit but more of an inventory. Randy explained that there is a list of equipment that shows the ownership of the ski equipment on his computer. Randy continued that the parties at hand are in the process of looking at the ski contract. He stated that Ed may be referring to Schedule A of the ski contract from 20 years ago that isn't valid anymore. We are in the process of looking at every aspect of the ski contract. Randy answered that he will forward the ski inventory list to the Board.

Skip LaVigna 156MR-Addresses an area where kids are running ATV's. Randy acknowledges that it is on the Falling Waters side. Masthope owns a group of lots back there-the Dawb lots. There is a trail that goes through the lots. Most of that property is Masthope's and the rest belongs to the Ottesons. Unfortunately, young people are in places where they should not be. We also have a problem with a horse trail where they are operating their ATVs. We don't want our Public Safety back there in vehicles however we are looking into these situations.

Mike Seyfried 157MR-He understands that PPL was supposed to be in the community cutting trees limbs away from powerlines. He does not see anything happening. What is the status? Randy answered that they are here now and will continue for the next two months. They are working in between Masthope and Fawn Lake. Mike asked if the tree work also included the

other utilities (phone/cable)? Randy responded that PPL has a contract with this tree company. The other companies are responsible for their own lines.

Ed Barker 9MR-He understands that Masthope works to keep the ecology of the lake in good condition. He asks if the houses on other end of the lake and Fawn Lake are on septic? Fawn Lake is on septic. Ed asked if that could be going into the lake? Randy responded that it could be. Randy explained that when Fawn Lake was first developed there was a master plan. After so many lots were developed, they were going to switch to central sewer. Fawn Lake is now on central water but onsite septic. To install central sewer now would be hundreds of millions of dollars. The conservation district is getting stricter with requiring pumping tanks and inspections. Randy continued that he is not sure what Fawn Lake requires but acknowledges that they have a progressive and aggressive board. He feels that they would require pumping also. Jim Fox added the he never saw a Koberlein truck pumping any tanks in the Village along Westcolang. He sees mostly outhouses on the properties. Randy added that our lake is tested once a week.

Jerry Ferraiuolo 861FW-Going down Westcolang toward the Delaware River, there are several trees down. Is there a plan for removal? Randy responded that at this point there is nothing scheduled. Leatrice Langer brought it up at a township meeting. The township is aware of the situation. Randy stated that he will follow up with the township. The township is currently short-handed.

MOTION 01:06:23:18

Whereas, the Masthope Mountain Community Board of Directors has approved the drafting of new Capital Reserves rules to be documented in the Community By-laws during its December, 2017 meeting, and Whereas, the members of the Budget Committee and the Document Review Committee have been providing new and updated Capital Reserves rules which have also been reviewed by the Community legal counsel and the Community Auditor, and, Whereas, the new proposed Community By-laws also consolidate all financial and funding rules into a single Article of the By-laws,

Therefore be it resolved that the Masthope Mountain Community Board of Directors recommends to submit these changes to the Community By-laws for a vote by the Membership during the regular fall 'State of the Community' meeting.

FIRST: GERHARD BUHLER

SECOND: BRUNO DEVINCK

MOTION PASSES: FOR 10, AGAINST 0

MOTION 02:06:23:18

Whereas the Violations of ATV, UTV or Golf Cart Rules are not clearly reflected in the fine schedule except for D,5 and D,7

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves revising the Masthope Mountain Property Owners Handbook fine schedule on page 53 to read: Violations of ATV, UTV, or Golf Cart instead of Reckless driving on ATV, UTV or Golf Cart. Excluding D,5 and D,7 as they are clearly listed.

FIRST: ED MCCLARY
SECOND: FOSTER MCCOY
MOTION PASSES: FOR 10, AGAINST 0

Meeting Adjourned 10:09am.
Executive Session began 10:19am.
Executive Session ended 10:45am.
Meeting Adjourned 10:46am.

DECK	SHED	ROOFING	TREE	BURN	PAINT/STAIN	SIGN	DRIVEWAY	DUMPSTER	TOTAL
4	1	2	13	5	4	3	18	1	51

Jun-18

Treasurer's Report for Period Ending May 31, 2018

Unaudited

Collections - YTD

	May 17	Apr 18	May 18
Total	2049	2043	2043
Billable	1750	1745	1745
Paid in Full	1307	1621	1316
Percent	74.7%	92.9%	75.4%
Outstanding - Lots	443	124	429
Outstanding - Dues			\$712,354
Total Bad Debt Lots	53	53	53

Unrestricted Income and Expense - YTD

	May 17 YTD	Apr 18 YTD	May 18 YTD
Revenues to date	\$1,957,004	\$2,649,485	\$1,969,955
Expenses to date	\$202,465	\$2,599,399	\$250,512
Net Surplus (deficit)	\$1,754,539	\$50,085	\$1,719,443
Margin (Net/Revenue)	89.7%	1.9%	87.3%

The Summit - YTD

Revenues to date	\$63,889	\$1,540,226	\$82,388
Expenses to date	\$81,898	\$1,418,338	\$130,588
Net Surplus (deficit)	(\$18,009)	\$121,889	(\$48,200)

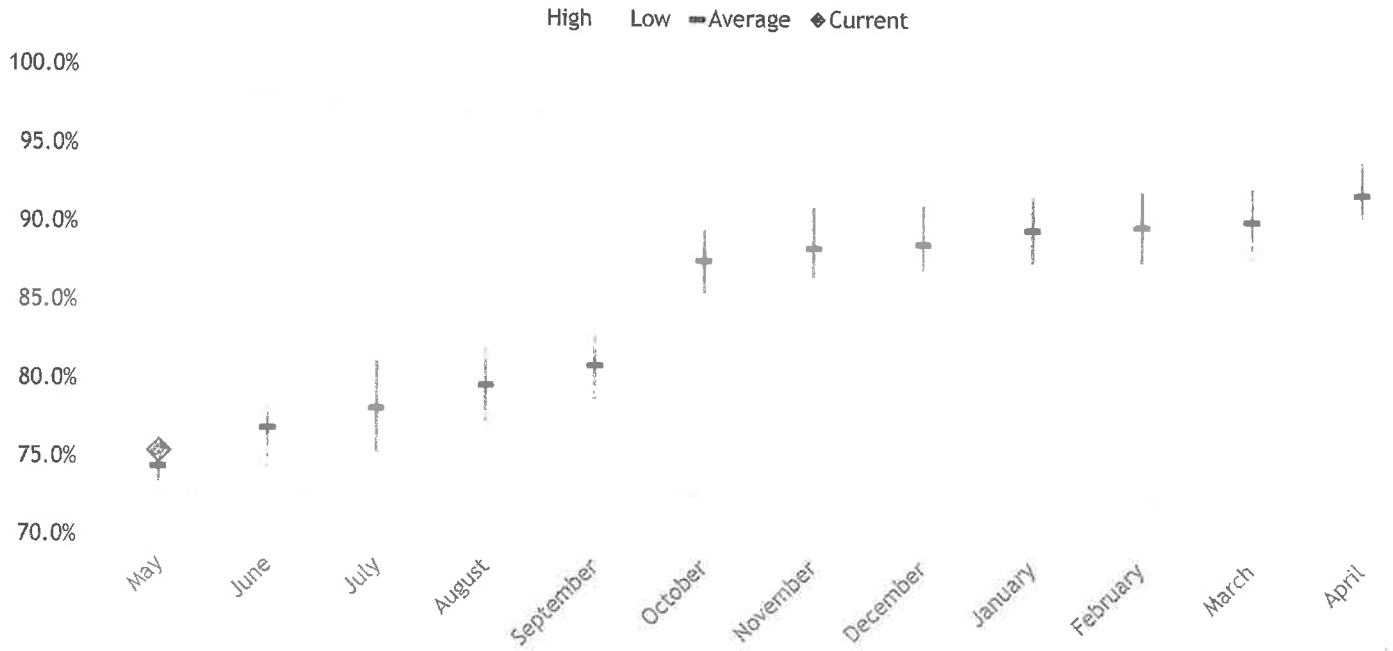
The Market Place - YTD

Revenues to date	\$32,711	\$472,668	\$36,141
Expenses to date	\$31,785	\$497,570	\$59,442
Net Surplus (deficit)	\$926	(\$24,902)	(\$23,301)

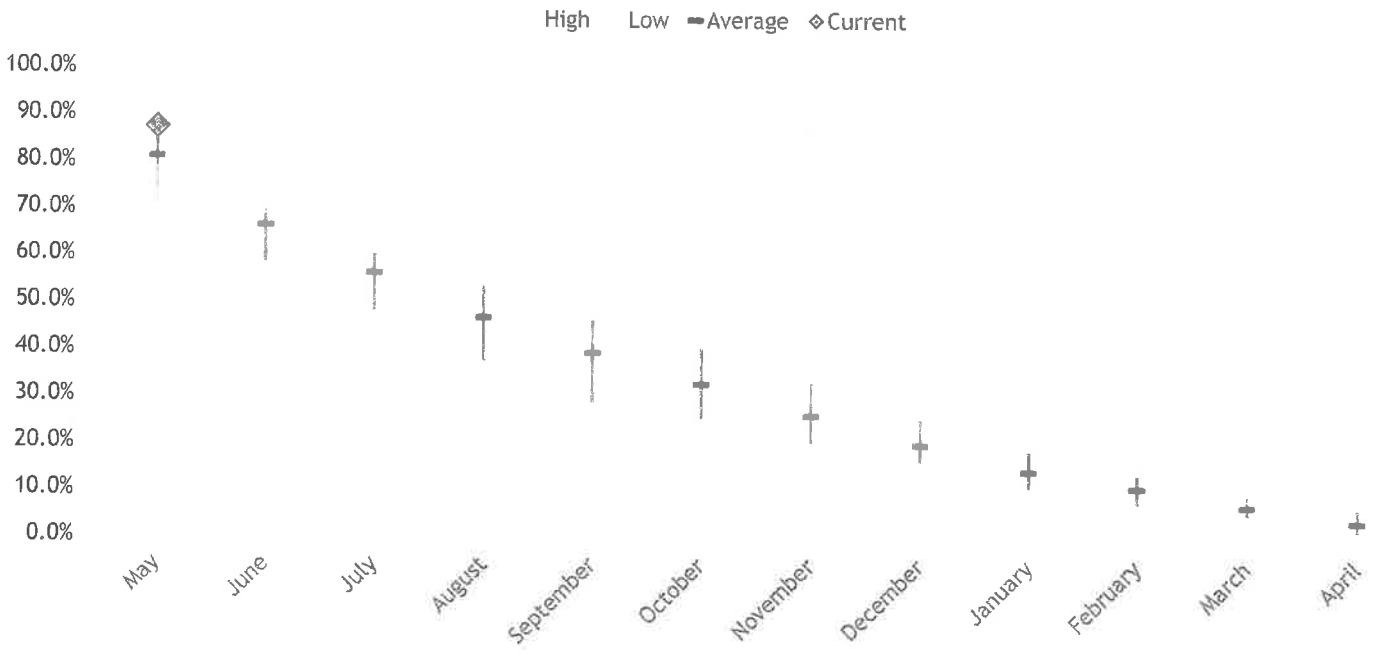
Summit/Market Net Surplus (Deficit)

	(\$17,083)	\$96,987	(\$71,501)
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COLLECTION CHART - YTD



OPERATIONS CHART - YTD OPERATING MARGIN



Managers' Report

June 23, 2018

Projects:

1. Top of Mtn – Work continues.
2. Water tower – Plan is to have it on line by Mid July.
3. Drainage Repair – Plan is in development.

Public Safety

1. Ready for the start of the season.
2. We continue to recruit and hire new staff.

Maintenance

1. Pool Project – The pool surface is good, there are some tiles that are failing, the contractor was in this week and a fix is underway.
2. Road bids have gone out via registered mail and are advertised in the newspaper. Bids will be received for the July BOD meeting.
3. Roadside mowing is underway.
4. Lodge Flooring – A bid has been received for the replacement of the carpet in the lodge.
5. Work that continues
 - A. Line painting in all lots and stop bars.
 - B. Landscaping and beautification.
 - C. Mini Golf completion with corn hole and horse shoes will be completed by next weekend.

Summit

1. Tiki bar and restaurant open on a regular schedule.
2. See the weekly messages for a large entertainment schedule.
3. Hiring in most positions in food service.

Administration

1. Activities are underway, schedule is available in weekly messages.
2. Busy with ATV and Boat reservations.
3. Dues should be paid in full unless on a payment plan. \$350 admin fees will be applied in July to those accounts not paid.
4. Amenity activity – Next year we will re-evaluate the opening of the beach, pool and beach house between Memorial day and July 4th, there has been little to no business at the amenities during the week.