

**Masthope Mountain Community  
Board of Directors Meeting  
August 25<sup>th</sup>, 2018**

Transcriber: Kelli Myers  
Property Owners Lounge

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

Roll Call: Present –Bruno DeVinck, Dan Clark, Foster McCoy, Gerhard Buhler, Jim Fox, Peter Torchio, and Anthony Falcone.

Teleconference: Michele Torre and Rich Neidkowski

Absent: Ed McClary

Dan stated that Ed submitted a letter that he would like read aloud. Foster reads Ed's correspondence. In this correspondence, Ed addresses an incident that occurred on August 12<sup>th</sup>. He acknowledges that he will be facing some offenses and has contacted legal counsel to resolve this matter. What occurred does not have an impact on the community and if in anyway it has a negative impact he will resign immediately. He continued that he has always acted in the best interest of the community. He has great respect for this community and its members. He asks that no one question the board about the incident since no one has knowledge of the facts. He apologizes for any inconvenience that has occurred to the community and its members. He ended with how he deeply regrets what has happened in regard to him personally and the community as a whole.

Dan addresses how he did not mention James Graziano during roll call. He explains that he received James' resignation after last month's Board Meeting. The Board has the authority to handle the vacancy at their discretion according to the Bylaws. Dan explains that we just came off an election. Looking at the vote count from the election, the Board is asking Eugene Principe to join the Board. Eugene accepts.

**MOTION 01:08:25:18**

**Whereas, a vacancy has occurred on the Board**

**Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the appointment of Eugene Principe to the Board for a term of one year.**

**FIRST: DAN CLARK**

**SECOND: BRUNO DEVINCK**

**MOTION PASSES: FOR 9, AGAINST 0**

Dan asks for the approval of the Agenda.  
The Agenda was approved unanimously.

Dan asked for the approval of the Minutes from July 28th, 2018 Board of Directors Meeting.  
The Minutes were approved unanimously.

Treasurer's Report- for period ending July 31st, 2018-Gerhard Buhler-see attached.

Bruno asked if the revenue from the Market and Summit are weather dependent. Randy answered yes, the weather has a lot to do with the success of the Summit and Marketplace. The mountain is so weather dependent. Anthony inquired that in the last meeting it was stated that there was a discrepancy in the Market's figures and it looks like it is still there. Randy explains that they have gone over the Market's figures and there are some differences based on a few things. One major factor is payroll. These numbers will change once that auditor's move some figures around. There was a \$2,000 computer purchase this year. There is a \$13,000 cost of goods increase this year. There is an inventory difference also. They looked at the cost of goods sold. There is not a big margin. Some items' prices will increase unfortunately. Some accounting practices are going to change also. We are going to reclassify some of our smallware items. (Pots, pans, bowls, spoons, etc) They were classified to the cost of goods sold. They are more of an asset. Patrice did a great job pulling all the invoices from the past year and we can see where the differences were from one year to the next. Another factor was the new logo. The Market stocked up inventory for the new logo. Randy continues that his frustration is staffing of the Market. You cannot predict when it is going to get busy or not. At one time there could be 3 staff members doing nothing and 20 minutes later they are swamped.

Treasurer's Report was approved unanimously.

Correspondence Report-Foster stated that there was no correspondence to report.

Dan called for Committee Reports

- a. Ski & ATV-Sheldon Langer-The ATV class on the 5<sup>th</sup> was a success. There is a class tomorrow. 13 are registered. He has to finish preparing the area for tomorrow. Jim Porter has been a big help maintaining the facility. He also helps with the classes. Sheldon continued that he is working with Public Safety to set up a golf cart safety class on September 9<sup>th</sup>. Gerhard asked how many students signed up to take the ATV class. Sheldon answered 13. They will break them up into 2 groups. Randy did ski update. The panel boxes for Little Bear and Grizzly Chairlifts have been built. They will be installed over the next couple of months. Little Bear is now a high-speed lift. "Little Bear Express" They will be starting projects on the mountain. A tree was down on a lift. There was no damage. There were several electric lines down due to fallen trees. They lines will be fixed in house. Ski is adding more snow guns. They will be adding some underground pipework as well.

- b. Audit-Maria Porter-The Committee will be reviewing the inventory list based on the Reserve Study. Randy stated that he feels that the Committee will find more items that are not on the Reserve Study list.
- c. Strategic Plan-Vicki Graziano-No report.
- d. ECC-Ron Tussel-see attached. Peter adds that property owners need to pay attention to their culverts especially with fall approaching. He continued that he is very disappointed about the amount of litter in the community. He feels that everyone needs to police their area and clean up the litter. Maintenance can't do it all.
- e. Westcolang Lake Association- Dan Clark-The Committee did meet. Next meeting is October 21<sup>st</sup>. Dan distributed that article to the Committee that Ron Tussel provided the Board with last meeting regarding the lake and whether it is private or not. WLA will review the article for their next meeting.
- f. Documents-Dan Clark-The Committee is reviewing the Covenant's revision from the attorney. He reminded the membership that they will be voting on a Bylaws revision for the November General Membership Meeting. Gerhard met with Jerry Ferraiuolo regarding the fine schedule in the Property Owners Handbook. Jerry expressed concern about the schedule being confusing. The Document Committee will review this matter in its next meeting.
- g. Fire Prevention-Jim Fox-Everything is in good shape. Things will change in the fall. A lot of members are using their firepits. Everyone seems to be following fire safety rules. He reminds the membership that if they don't, they will get fined.
- h. Beautification-Leatrice Langer- She announced that the new sign is up by the trellis and it looks great. Jim agreed. Tom and maintenance did a great job installing the sign and cleaning up the area around it. Dan added that all the signs look really nice.

President's Report-Foster McCoy-No report.

Manager's Report-Randy Schmalzle-see attached.

Gerhard stated that he will be giving a quarterly collections report to the Board.

Bruno stated that adding the second compactor should help with the community's waste issue. Randy agreed but explained how he is going to be monitoring the tonnage for pickups. Hauling the trash is costly. He wants to make sure that the containers are being removed when they are full rather than half full. Eugene added that deliveries are expensive up here. Randy agreed that trucking and fuel are a big part of the high costs.

Bruno complimented Randy on his tour of the community. He recommends that everyone should take the tour. It gives you a real sense of the scope of what the community has.

Michele wanted to let Randy know that every year the beach runs out of ice on Labor Day Weekend. Please order more for that weekend. Anthony responded that they are ahead of schedule; they ran out on Thursday. Randy will let them know to order more.

## Old Business:

Gerhard has an addition to Old Business. The mailing went out to the membership about the proposed Bylaw change. He is planning to have a townhall regarding the proposed changes. It will be Saturday, September 29<sup>th</sup> at 2pm. It will give the membership a chance to ask questions. It will be announced in the Weekly Messages and the Shout Out.

Dan gave the Board a handout last month outlining some comprehensive rules for the deer hunt. (D-Map Program) The administering process is not handled by one person but by several. Ron Tussel is not only a Masthope employee but also a Deputy Game Warden for Pennsylvania. Dan stated that we are lucky to have Ron's expertise in this matter. There should be a committee in place to make sure this is administered properly if this gets approval. We will advertise for members to join this committee.

Dan had multiple conversations regarding the ATV decision made at a previous board meeting. Dan asks, does the Board want to continue this discussion? Peter spoke to several property owners that feel that the board jumped too quickly to reduce the number of ATV/UTV/Golf Carts. He feels that we should create a mailing asking property owners what they think about the number of ATV/UTV/Golf carts permitted in the community. Eugene stated that the number permitted should not have been changed. He continued that the vote was done inappropriately. Eugene agrees with sending out a mailing to get feedback from the membership. Anthony added that a few years ago Masthope changed the minimum age of operation to 10 years old. ATV riding is considered to be a family event according Masthope. Some would drive their vehicle behind their children operating an ATV and that was considered not good enough, so that rule changed. Now the adult needs to be on an ATV to accompany the child. So, if this is a family event, the rule only allows it be a family event for a family of four. Anthony would like to investigate what would the negative effect be if the number changed to six or more. He would like to see how that would affect Masthope. Eugene asks Randy if there are a lot of problems with ATVs? Are there a lot of citations? Randy answered yes. He continued that if he drove down to the lake, he would be able find four operators in violation of the Masthope Mountain Rules and Regulations. Whether it be speeding, helmet violation, children operating ATV without an adult, or using equipment that doesn't fit them. We need to stress to owners that they need to follow the rules. He has been told that the rules are stupid. Randy can't see a huge impact or downside to having more ATVs allowed. He just asked that this topic does not go on Facebook. It will lead to all other unrelated comments. Internet muscles are not a good thing. It should be addressed in a mailing then discussed in a room face to face. It is important that we strongly enforce the rules. We can review the rules if wanted but we will enforce the rules that are in place. When we had the townhalls, they were well attended. Gerhard expresses concern about jumping the gun on this subject. Anthony interjected that the Board already had. Gerhard reminded everyone that Masthope is one accident away from losing its insurance. More numbers increase the risk of an incident. No easy way to quantify the impact of increasing the number of ATVs. Peter stated that we should go back to 4 ATV/UTVs and 2 Golf Carts. When this process started we had input from approximately 70 people. A mailing seems the most acceptable. The mailing should contain the right questions, some history and facts pertaining to ATVs. We hear from several owners that ATVs are the reason that they purchased in the community. The miniature golf was voted on by approximately 600 owners through Survey Monkey. Peter asks if we could use Survey

Monkey for this issue. Dan asks for volunteers to create the correspondence for the mailing. Peter, Anthony and Eugene volunteered. Peter asked Bill Chillianis and Paul Mora if they would join the team. They responded yes. Dan clarified that this ad hoc committee will create the wording for the mailing and then the Board will vote on it before it is sent out to the membership. Michele reiterated what the committee's responsibilities would be.

#### New Business:

Randy explains that Beach House needed HVAC replacement. He is asking the Board to fund this from Beach House Loan surplus in the amount of \$4,000. Eugene and Jim asked what happened. Randy explained that the compressor went, and it was replaced rather than repaired. Gerhard clarified that it was a replacement.

Randy suggests that they amend a motion from 7/22/17. He spoke with Bill Owens about the proposed motion. Additional funds from the sale of old equipment would go towards the purchase of two maintenance trucks. The original motion did not include the additional funding from the sales.

Randy explains the lodge carpet is in humble shape. The lodge is twelve years old and the carpeting has already been replaced once for approximately \$17,000. The rubber flooring in the lodge is the original flooring from the day the lodge opened, and it looks the same. It is management's recommendation to replace the carpet with rubber flooring. They have received two bids. Village Carpet \$32,500 which includes replacing the treads on the stairways. Pocono Interiors \$47,472 for the same work. Village Carpet has worked in the lodge in the past and we have been very satisfied with their work. Management recommends funding this from the Lodge Loan surplus. Jim asks if it will be the same material. Randy said it is the same as the one in the Scramble and he is very satisfied with the quality. Michele asks for more clarification in the motion. It will read that rubber flooring will replace the carpet in the lodge.

Randy explains that Masthope Public Safety has three vehicles. They typically have about a three to four-year life expectancy. The Charger is at its end of its useful life for Masthope. It is not a four-wheel drive vehicle which is needed. We have \$19,000 in the public safety vehicle replacement. We could use this as a down payment. In years past, we would have purchased the vehicle through a Ford program and use a portion of that line money as a down payment and finance the rest through one of our local financiers. If the Board would like to keep it the same way, we can start to move forward with this. The Board could decide to put a motion out to the membership for the GMM and the membership could vote to use the \$19,000 and then use capital reserves for the remainder to pay off the vehicle. Either way is fine. Foster asked why would we want to change the process. Gerhard agrees that it is manageable the way we have done it in the past. Anthony asked what is going to be done with the Charger. Randy answered that it will be sold for approximately \$1,000-2,000. We put a lot of mileage on the public safety vehicles. Eugene asked is it necessary to go with Explorers. Randy answered that Ford has a fleet program. The vehicles are prebuilt and wired for everything. It is assured to be the lowest price out there. Randy will come back with pricing and finance package for the next board meeting.

Randy-Maintenance is in same situation as public safety. We need to replace a vehicle. Ford offers a package. It is approximately \$50,000. Life expectancy is about 10-12 years. He did find some used vehicles that could work. They are typically 4-5 years old. He has not inspected any of them at this time. He would like permission to purchase a vehicle upon his

inspection. He is asking for \$26,000. He found a 2013 F-250 for \$22,500. He would like to go and inspect it.

Lake Shore Easement-A property owner has applied for a dock permit. It was discovered that the 15-foot easement on most lakefront property owners have been violated. There has been a permanent structure put in the easement in most cases. In a previous conversation with Alan Young, regarding illegal sheds, it was decided that upon sale of the property, it must be brought back to compliance with Masthope's rules and regulations. Would the Board like to move forward similarly with the lakefront violations? Randy is asking for guidance from the Board. What is on the easements mainly are stairs, decks, etc. Administration was not aware of most of these structures. There are approximately fifty of them. Gerhard feels that we need legal counsel on this issue. Randy will contact Alan Young. He will have a recommendation for the September meeting.

Schmidt Lot Combination-The property is on Westcolang Road. Some properties in this area are members of Masthope and some are not. These properties have on site septic and water. The problem with the Schmidt lot is that their septic system failed. The township informed them that they will need to install a new septic. Unfortunately, according to guidelines the new septic cannot be installed on their Masthope lot. They do own the lot next to them. That lot is not apart of Masthope. The septic could be installed on that lot. They are asking to join the non-Masthope lot with the Masthope lot to make it a combined Masthope lot. Bruno asked if there would be an impact to the community. Randy answered no there would no impact. Foster asked if it would be detrimental to the community. Randy answered it would be detrimental to the property owner of the house because they would not be able to install a septic system. Gerhard explains that the Westcolang section is explicitly mentioned in the Covenants regarding their septic and on-site water. Alan Young said that we could annex the community. Alan wrote up the motion for this lot combination. Randy read the motion. See attached. Discussion about lots on Westcolang Road continued.

Aqua Rate Increase Mailer-Aqua applied for a rate increase through PUC of PA. On average, water usage would increase \$20 per month. Waste water would increase \$12 per month. We do have the opportunity to appeal this rate. We did appeal a rate increase back in 2009-2010. It cost approximately \$22,000 for Masthope to appeal the rate increase then. Aqua needs to prove why they need to increase their rates. The previous appeal, Aqua did not have substantial evidence to warrant the rate increase. Randy feels that Aqua will try to justify this increase with improvements that have been made. Aqua spent \$3 million improving the water system in the area and \$1 million improving the sewer system. Does the Board want management to investigate the estimated cost of appealing? We would need to move on this quickly. We have information on the company that investigated the appeal in 2009-2010. Management could reach out to them for information. Dan asked with the prior appeal that cost \$22,000 did it make a difference. Randy answered yes it was beneficial. It saved the property owner about \$7.00 a month. Gerhard reiterated that Aqua did not have significant evidence prior but now they may. PUC will make you document everything. An individual can appeal this also. Gerhard asked if this was only a Masthope increase. Randy answered yes. A couple board members stated that this is a lot of money. Dan added that rates never decrease. Eugene feels that we should look into what this would cost Masthope to appeal. Gerhard asked if we could do a cost analysis. Dan broke down numbers from the rate increase and multiplied by total property owners. Randy feels that overall, it would be beneficial to appeal the increase but it may cost the property owners at first. Anthony asked if he could reach out to the company for their rates. Randy stated that it is on his list. Foster added that he didn't know how they would be able to justify a 40% increase. Gerhard agreed. Discussion ensued.

Audit Report-Dan explains that we received the audit report in July, which is a draft. The board needs to approve the draft to receive the final report. Motion will be made.

#### Property Owners Time:

Nick Caruso 307FW-He thanks the staff of the Summit. He had a private party at the restaurant. The staff was wonderful. He thanks Joe, Linda and James personally. Everything was perfect. The staff went out of their way to make everything great. He would like to see no smoking at the pool.

Bill Chillianis 204MR-He suggests that the property owners get billed for the attorney costs in the Aqua case. The rate increase is \$35 a month. It makes sense to bill a one-time fee to property owners to remove the burden from Masthope's budget and put it back to the community. The water cost is ridiculous already. Even if the increase is cut in half, the appeal would be worth it. Dan explained that there is money in contingency that owners already contributed to. Bill would like to see those funds go to bettering the amenities. Foster states we can't just tax owners for items. Eugene stated that it is nice to know Bill is supportive.

Rich Seidel 578MR-He asks Randy which AC Unit needs replacement. Randy answered the big unit at the Beach House.

Jerry Ferraiuolo 861FW-Thanks everyone for attending the meeting. He worked in public utilities and informs the membership that when utility companies ask for a rate increase they ask for everything and the kitchen sink. He said that it will probably decrease a little. It will have more impact to have Masthope appeal as a whole than individuals sending in letters. He was wondering if the rate increase affects Fawn Lake too. He feels the decision is a no brainer to contact an attorney to represent Masthope.

Jerry Jacobs 210FW-He asks if we can borrow money from ourselves to purchase new vehicles. Take the money from one of our line items that has a surplus of money. Foster answered that the line items are very specific. They are restricted. The problem with ATVs is not the people riding them but the parents. He saw two young kids riding in a side by side with the parent riding behind them. You need a license to operate a side by side. The parent allowed a ten-year-old to operate it. The third question was regarding the Schmidt lot combination. He asked if we do this for one, do we need to do it for everyone. Randy answered, no we are not obligated to. The special circumstances and the health and safety concerns are why he consulted an attorney and that is why the motion is written the way it is.

Kathleen Yeo 995FW-She attended the ECC Variance Hearing last week. The owner of the corner of Trout Road applied for a variance to build into its setback due to it having an area that is considered wetland. It backs up into wetlands. This property is next to hers. The builder did back out of the variance hearing, but another builder could try the same and succeed. That would directly affect her property and other surrounding properties. Drainage could be a serious issue. She would like to see the property turned into greenspace since most of that area is unbuildable. This is the only lot that is partially buildable. They have proof that this is a designated wetland. She wants to know what the next step is that she could take. Can the

community purchase the lot? Can she and other property owners buy the lot and turn it over to the community, so it would not be a dues collecting lot? She wants to keep this conversation going. Dan stated that this is a lot to digest. He suggests that she puts a proposal in writing. He is aware of this property and spoke to the ECC Committee about this. Others on the Board may not be aware of this situation. They will need to discuss this further.

Paula Crayon 6FW-She expresses the same concerns as Kathleen Yeo. If a builder was granted a variance it would directly affect the surrounding properties and the lake. Dan advises her and the other concerned property owners to draw up a proposal. He states the Board is always concerned about the environmental effects on other properties due to building.

John Grandy 6CM-With the 911 Ceremony, what is occurring afterwards? Is the potluck cancelled? The answer is yes, potluck is cancelled and there will be dessert at the lodge following the ceremony. It was just recently advertised. An area needs some road repair (could not hear where). Randy responded that he is aware of it. The committee for ATV's should not be all ATV owners.

Marta Pisinska 1027FW-Masthope is a family-oriented place. Why isn't it non-smoking? Her kids bought food at the scramble and were bringing it outside to eat. They were not allowed to use the tables at the Tiki. Most of the tables were empty. Randy explained that that rule has always been in place. She answered that she understands if the Tiki was busy to not allow it, but it was quiet. Randy responded that it is difficult to enforce rules when it is convenient.

Nick Caruso 307FW-He witnessed some people that bought pizza inside and sat down at a Tiki table to eat. So, to say that the rule is enforced all the time is a lie. Randy answered that according to Marta, they enforced it. Nick retorted that they didn't enforce it yesterday. He then asked what the loan surplus is. Randy explained that it is money generated from property owners. When the loans were first taken out, the assessment was based on a certain number of dues paying property owners. Over time that number has increased. So, more money is collected that produces a surplus. Nick asked why you don't prepay the loan. Dan answered that they have done that in the past. If you deplete those funds, you can run into a problem along the way. Some item could break and need repair or replacement and the surplus funds can cover the costs. If funds are depleted, then you run into the issue of not being able to fix or repair until the next fiscal year. It is still an option to prepay the loan. Gerhard added that the surplus is only used for the original item of the loan. Randy informed the membership that the three loans were refinanced. The length of the loans was shortened considerably, and the interest rate was also lowered. What are the lake easements for? Randy responded they are for maintenance.

Jerry Jacobs 210FW-He feels the letter about ATVs that will go out to the membership is a good idea. He asks if the new committee could be non-board members, so the board can get input from the membership. Foster responds that going back historically, we conducted many townhalls and had input from the membership. Jerry continued that the last one was just a yes or no. Foster stated that is why we are revisiting this topic.

John Grandy 6CM-Karl Hope gave the option to some property owners along Westcolang Road if they wanted to become members of Masthope or not. The lot combination of the Schmidt property is not infringing on anyone.

Jerry Ferraiuolo-Is there an update on Masthope Plank Road? The patches are now worse. If it is this bad now how will it be in the winter. Randy answered that there is no update.



Kathleen Yeo 995FW-She feels that the new ATV committee should be members of the community but there should be one board member on the committee.

Bill Chillianis 204MR-Randy made a comment that he can't get over. Randy commented that if he drove down to the lake he would see at least four violations involving ATV operators. He could find four other violations also. He feels that a different approach needs to be taken rather than anti-ATV. Look at garages, accessory structures that don't match houses, docks at the lake and drinking and driving. He feels that it is not right. Times have changed. Recreation vehicles are mainly used for transportation in the community and not for trail rides. They do make a youth UTV. Randy addresses some of these points. He acknowledges that yes there are youth UTVs. It is obvious by its size that it is made for children. His comment about the violations spotted on a ride to the lake is not a negative ATV comment. It is a negative parent or operator comment. Parents are allowing their children to violate the rules. He continued that he is not against ATVs. Yes, there are other areas that they could focus on however the importance is that this is a safety and welfare issue.

Pat Woebber 727MR-In response to ATVs, members wouldn't be haters if the operators followed the rules. She witnessed a parent briefly stop at a stop sign and then the child went right through it. Members are not anti-ATV. They are anti-parents that don't teach their children to follow the rules.

Ann Kolodziej 218AF-At the pool near the diving board, the smell was unbearable. It smelled like urine. The smell of smoke is awful also. Randy said there is no sewer in that area. He doesn't know what the smell is, but he will check it out. Ann continued that the smell went up to the Tiki entrance. Now the whole pool area smells like urine. Dan said that it will be checked out.

Paula Crayon 6FW-She asked if the kids need to take an ATV safety course? The answer is yes. She feels that if they had the safety course the child would not have driven through the stop sign. (laughter) The parents are in violation if the child does not have completed course card. She owns two properties. She went to the office the get a second picture pass and was denied. She pays double dues and wants a second pass. Randy answered property owners can have one active pass. She wants a second pass for the compactor. Dan stated that it seems that she wants to be able to throw away six bags of trash a day. Eugene asked about her kids having passes. She answered yes, they do but are not always here. Dan explained that there is on going discussion that pertain to passes. Discussion ensued.

Ann Kolodziej 218AF-They have a combined lot and only get four guest passes. Renters can go to amenities in masses. She feels that it is not fair. Dan stated that the pass system is going to be revised.

## **MOTION 02:08:25:18**

**Whereas, the air conditioning at the beach house needed repair**

**Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the payment of \$3903 from the beach house loan surplus monies to pay for this air conditioning unit replacement.**

**FIRST: DAN CLARD  
SECOND: FOSTER MCCOY  
MOTION PASSES: FOR 10, AGAINST 0**

**MOTION 03:08:25:18**

**Whereas a motion needs to be amended**

**Therefore be it resolved that the Masthope Mountain Community Board of Directors adds "Additional funding will follow as a result of the sale of retired vehicles income which will be placed in the maintenance vehicle replacement capital line."**

**FIRST: DAN CLARK  
SECOND: FOSTER MCCOY  
MOTION PASSES: FOR 10, AGAINST 0**

**MOTION 04:08:25:18**

**Whereas the lodge flooring needs to be replaced**

**Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the replacement of the lodge flooring by Village Carpet for \$32,500 to be funded by the lodge loan surplus monies replacing the carpet with rubber flooring.**

**FIRST: DAN CLARK  
SECOND: BRUNO DEVINCK  
MOTION PASSES: FOR 10, AGAINST 0**

**MOTION 05:08:21:18**

**Whereas a maintenance vehicle needs to be replaced**

**Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the expenditure up to \$26,500 to purchase a used truck to be funded by maintenance vehicle capital line and BOD contingency capital funds.**

**FIRST: DAN CLARK  
SECOND: JIM FOX  
MOTION PASSES: FOR 10, AGAINST**

**MOTION 06:08:25:18**

**Whereas, one improved residential property tht is located in an older part of the community now has suffered the failure of its on-lot septic system disposal area;**

**Whereas, due to the unique location, size, topography and soil conditions of the lot, there is no other suitable area to test, permit and construct a replacement septic system;**

**Whereas, seeking to resolve this problem, the owners of the lot have investigated all alternatives for creating a suitable replacement septic system with the help of both the municipality and the community association;**

**Whereas, the only feasible solution identified by the lot owners involves construction of a new septic bed on another parcel of land that adjoins the property owners' existing lot but is outside the community;**

**Whereas, the adjoining parcel has tested satisfactorily for installation of the new septic bed;**

**Whereas, in order to issue a permit for the replacement septic system permit, the municipality has mandated that the lot owner purchase the adjoining parcel and then join it permanently with the existing lot in a municipally-approved lot combination subdivision;**

**Whereas, the lot owners have acquired the title to the adjoining parcel and have prepared a lot combination deed to be executed and recorded to comply with the municipality's conditions for approval of the permit for the replacement septic system;**

**Whereas, the lot owners have requested that the Board review the situation and consent to the lot combination and annex a limited area of land into the community as part of the combined lot, which shall be part of and under and subject to the governing documents of the Masthope Mountain Planned Community;**

**Whereas, the Board of Directors is authorized by state law, the Articles and Bylaws to act in the best interest of the membership of the Association;**

**Whereas, the protection of health and safety of the owners of all residential property in the community is of utmost importance to and in the best interests of the membership generally and individual owners in the community;**

**Whereas, in these unusual circumstances, it should be in the best interest of the community to approve such a lot combination, enlarge the and thereby allow construction of a viable on-lot septic system to serve the lot owners' residence;**

**Whereas, the lot owners have represented that the lot combination should not otherwise cause material adverse impacts on the other neighboring properties or to the community generally; and**

**Whereas, the proposal has also been reviewed by legal counsel who confirmed that the decision essentially maintains the status quo for both the lot and for the community association, and that Board approval could be granted under the broad general powers of the Board reserved under state law and under the Association's express power to annex additional land into the community found in the Declaration;**

**Now Therefore, given that (i) the lot owners' request relates to and obvious health and safety issue, (ii) the lot owners' only alternative is to comply with the municipality's mandate that the two parcels be combined into one lot, (iii) a very limited area of the land would be annexed, and (iv) no additional lots would be created, Be It Resolved that the Board of Directors hereby consents to this de minimus annexation of land into the combined lot so that the lot can once again support a viable residential unit that is already part of the community.**

**FIRST: DAN CLARK  
SECOND: FOSTER MCCOY  
MOTION PASSES: FOR 10, AGAINST**

**MOTION 07:08:25:18**

**Whereas Bill Owens has submitted the annual report in draft form awaiting Board approval**

**Therefore be it resolved that the Mashope Mountain Community Board of Directors approves the annual financial report for 2017/2018.**

**FIRST: GERHARD BUHLER  
SECOND: DAN CLARK  
MOTION PASSES: FOR 10, AGAINST**

**MOTION 08:08:25:18**

**Whereas the ATV issue needs to be revisited with wider input from community**

**Therefore be it resolved that the Mashope Mountain Community Board of Directors approves the annual financial report for 2017/2018 appoints the following individuals to an ATV Committee to create a mailing to the community regarding ATV usage: Peter Torchio, Anthony Falcone, Eugene Principe, Bill Chillianis, Paul Mora and Jerry Jacobs.**

**FIRST: GERHARD BUHLER  
SECOND: DAN CLARK  
MOTION PASSES: FOR 10, AGAINST**

**Meeting Adjourned 11:24am**

Treasurer's Report for Period Ending July 31, 2018

Unaudited

Collections - YTD

	Jul 17	Jun 18	Jul 18
Total	2045	2042	2040
Billable	1747	1744	1742
Paid in Full	1419	1392	1419
Percent	81.2%	79.8%	81.5%
Outstanding - Lots	328	352	323
Outstanding - Dues		\$507,213	\$412,066
Total Bad Debt Lots	53	53	53

Unrestricted Income and Expense - YTD

	Jul 17 YTD	Jun 18 YTD	Jul 18 YTD
Revenues to date	\$2,253,599	\$2,163,395	\$2,307,615
Expenses to date	\$908,288	\$457,297	\$714,438
Net Surplus (deficit)	\$1,345,311	\$1,706,099	\$1,593,177
Margin (Net/Revenue)	59.7%	78.9%	69.0%

The Summit - YTD

Revenues to date	\$396,801	\$186,008	\$424,066
Expenses to date	\$407,385	\$245,612	\$443,030
Net Surplus (deficit)	(\$10,584)	(\$59,604)	(\$18,964)

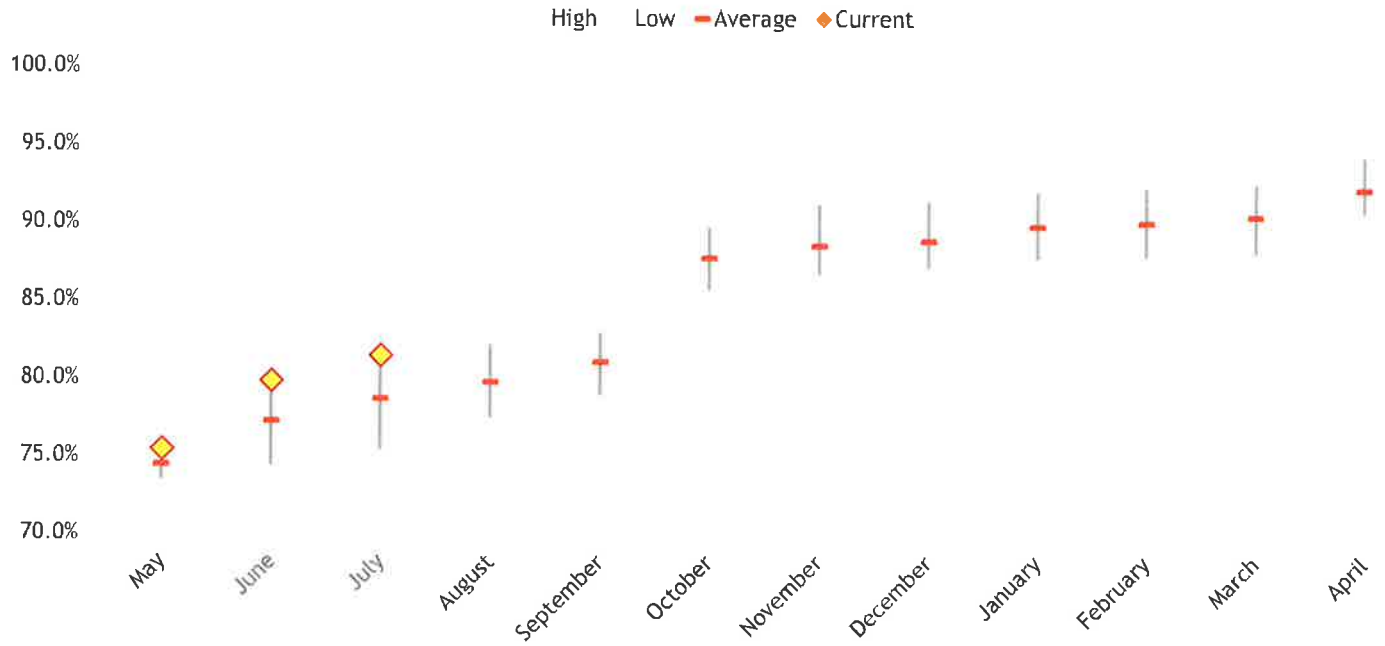
The Market Place - YTD

Revenues to date	\$137,949	\$74,312	\$136,956
Expenses to date	\$136,528	\$107,500	\$157,576
Net Surplus (deficit)	\$1,421	(\$33,188)	(\$20,620)

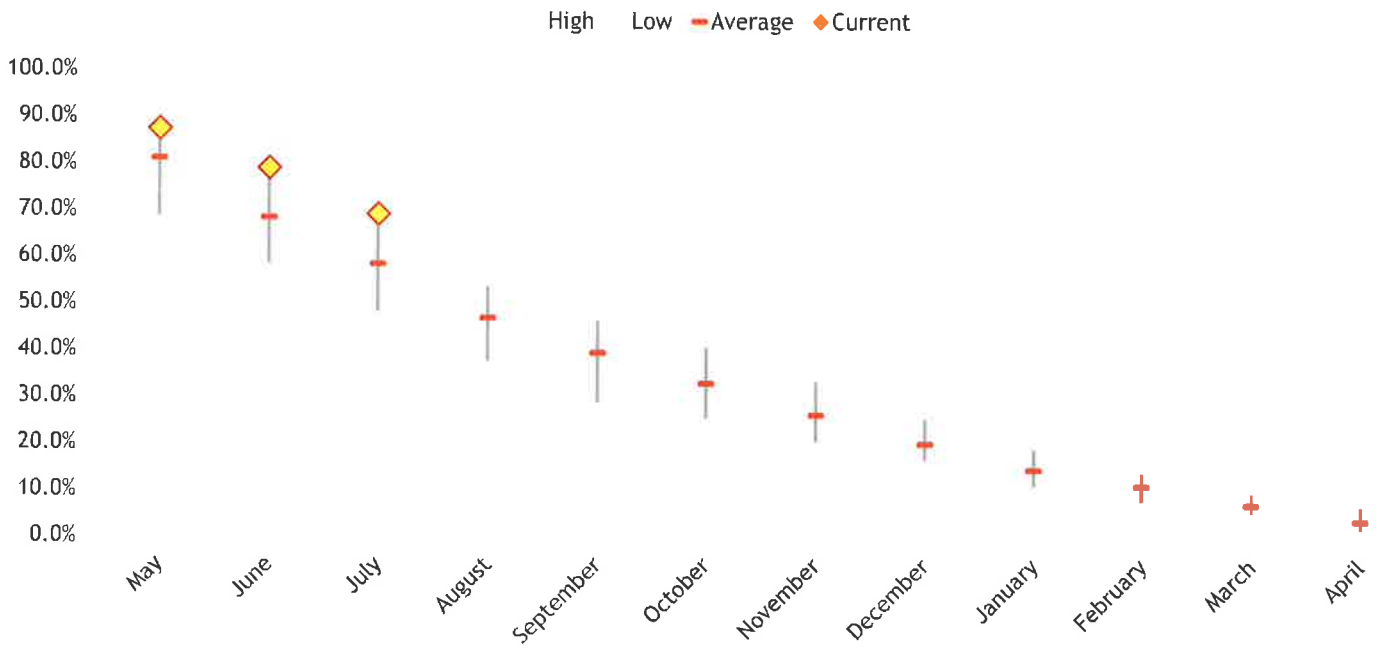
Summit/Market Net Surplus (Deficit)

	(\$9,163)	(\$92,792)	(\$39,584)
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# COLLECTION CHART - YTD



# OPERATIONS CHART - YTD OPERATING MARGIN



# ECC Report

	NEW HI	ADDITION	DECK	GARAGE	SHED	SIDING	ROOFING	TREE	BLAST	BURN	PAINT/STAIN	SIGN	DOCK	DRIVEWAY	PROPANE	DUMPSTER	TOTAL
Jun-18																	
	0	0	6	0	1	0	2	17	0	8	11	3	0	25	0	2	51
Jul-18																	
	1	0	1	0	0	0	0	9	1	8	7	2	0	9	1	1	41
Aug-18																	
	1	0	1	0	1	2	1	4	0	3	3	10	0	5	2	1	34

## Managers' Report

August 25, 2018

### Projects:

1. Top of Mtn – Work continues.
2. Drainage Repair – Survey is completed work will start in fall.

### Public Safety

1. Golf Cart training course is scheduled.
2. Training is up to date with all officers.
3. Summer has been busy.
4. School will be opening soon, please review bus stop rules, they will be posted in the weekly messages.

### Maintenance

1. Road work to be done this fall.
2. Road patching to be done in September/October
3. Lodge Flooring – Two proposals have been received and will be presented later.
4. Work that continues
  - A. Sign clean up and road trimming continues.
  - B. Road side cutting is underway again.
  - C. HVAC work continues.
  - D. Sign at bottom of mountain has been installed.
  - E. Waiting for color approval for front signs.
  - F. Reviewing contract with waste hauler.
  - G. Lodge sprinkler system inspection and upgrades.

### Summit

1. Staffing has been an issue with all areas of food service. Sales have been reviewed for all areas and hours have been adjusted please check the weekly.
2. Entertainment has been well received.



3. Winter menu is in development.
4. Watch for Oktoberfest schedule.
5. Clam Bake was well attended.
6. Dempsey contract
7. Check for hours of operation changes in the weekly.

#### Administration

1. Activities are underway, schedule is available in weekly messages.
2. Collections report
3. Returning to fall hours after Labor Day, closed Tuesday and Wednesday.
4. Ski pass updates to start soon.