

**Masthope Mountain Community
Board of Directors Meeting
May 23, 2020**

Transcriber: Kelli Myers
Teleconference

8:33 AM Meeting called to order.

Roll Call: Present Gerhard Buhler, June Murphy Carrozza, Bruno de Vinck, Anthony Falcone, Jim Fox, Herman Matfes, Ed McClary, Foster McCoy, Maria Porter, Eugene Principe and Peter Torchio.

Bruno asked for the approval of the agenda. June added the two motions.
The Agenda approved unanimously.
Agenda approved unanimously.

Bruno asked for the approval of the minutes from the May 23rd, 2020 Meeting.
Minutes were approved unanimously.

Anthony confirms roll call.

Treasurer's Report- for period ending April 30, 2020-Gerhard Buhler-see attached.
Treasurer's Report was approved unanimously.

Correspondence Report-see attached.

Committee Reports will not be given during this meeting.

President's Report-June Carrozza-see attached.

Manager's Report-Randy Schmalzle-see attached. He added that just because the Governor said we can open does not mean that we must. We will. It will be different than any other season. Randy announced that there are 159 participants in this meeting, and this is the largest meeting he has ever seen. He addresses the proposed pool complex. See attached or go online to masthope.org. Randy explains that the Board would need to vote on bringing the pool concept to vote to the membership in July. Discussion took place on funding and concept of the pool complex. Randy continued that this is a complex with another pool. There will be two separate pools which works for sanitary reasons also. Go online for the preliminary sketch. Discussion of benefits of two pools continued. June asks if we can look at contractors' reviews. Randy answered that he would like to use contractors that Masthope has used in the past and were pleased with their work. Discussion continued explaining bidding process.

Old Business:

Mailing for the General Membership will be out the first week in June or 30 days prior to the July 11th Meeting. There will be a Town Hall to meet the candidates. They will take place on June 13th at 7pm and then on July 10th. All members can ask questions to the candidates.

Randy added that he does not know where we will be during this pandemic with the ability to meet. Special voting procedures may need to be put in place and looked into right away. Herman answered that the IT Committee will look into this.

New scanner system is still in discussion.

New Business:

Bruno addressed proposed motions. June added a motion for a new member to Strategic Planning Committee.

Randy explained that management is recommending doing the fireworks for the rain date of the Sunday Night of Labor Day Weekend.

Rules for the beach and pool were addressed and brought to the Board.

June asks to add limited size floatation devices in pool. Randy stated that yes, the Board can. Discussion continued regarding floatation devices in the pool/lake area.

Rental Review Policy-Gerhard—see attached. The Committee used the Monroe County template as a basis for their proposed policy. See Masthope.org for proposed policy.

176 People are calling in right now.

Gerhard encourages property owners to review the proposed policy online and engage in the Town Hall.

June stated that the Proposed Rental Policy is online and to please review it. There will be a town hall, or you can submit questions to boardpresident@masthope.org

June asked Gerhard if there will be a direct email to address questions from the proposed policy and Gerhard responded yes that the website will be set up with a direct email for questions or comments. June 7th will be the Town Hall at 9am.

Property Owners' Time:

Eugene Gallegos 108-He is asking about the pool expansion and capital expenditure and environmental ramifications. Randy directed him to the website that outlines the operational and capital expenses. He does not see any environmental impact. Everything will be done to EPA standards. Gerhard added that capital projects go to the membership for a vote. Randy continued that we have infrastructure in place at the top of the mountain that would handle the expansion and increased number of pool goers.

Michelle Diver 411MR-She asks if the pool will be able to hold swim competitions. Randy answered that we will research the requirements needed and it is intended to be built for competitions.

Inaudible-Will there be two separate entrances to the pools? Will it have access to the Tiki Bar and food? Will the second pool be larger than the other one? Randy answered that there are two entrances proposed. The facility will be one entity with the existing. Tiki access will be available. The pool size will continue to be analyzed.

Tim Schmeier 602FW-He is questioning the closures of our amenities. (Connection was lost) June explained that the closures are mandated by the Governor. Randy added that if we don't follow the guidelines it could become an insurance and legal issue.

Susan Costomeris 1MR-She asks about short term rentals and the effects on the ski contract. Randy stated that this is difficult to address but they will need to look into this if policy changes.

Tim Schmeier 602FW-(Reconnected) He reiterated that the closures are not mandated by the Governor especially the parks and boat launches. He would like to know why Masthope closed some of the amenities. Randy explained that it was advised by our legal counsel and insurance company to abide by the Governor's order.

Lou Cerulli 632FFW-He thanks everyone for the foresight with the pool project. He asks if they will bring in known contractors. Randy would like to work with dependable contractors that the community knows and trusts. This would get the project done in a timelier manner.

Inaudible-He loves the pool idea. He would like to know the status of the ice rink. June answered that this was put on hold but will be revisited in the future.

Paul Purcell111FW-Loves the pool expansion project. Will the amenities be opening in the future? Randy answered that amenities will be opening along with the CDC Guidelines and the Governor's Guidelines as we progress out of red phase. June added that the openings will be announced in the Shout Outs and Facebook.

Desiree Hatalla 212FW-She would like to know if the call-in meetings could continue? June answered that the Technology Committee is going to look into ways to continue to conference in on the meetings. Herman agreed that the Committee is committed into moving forward with meetings in this manner and to continue to improve with the call-ins.

Tom Brown 701CM-He feels that there are young drivers on the ATV's. He would like the youth riders to be identified somehow, such as a different flag so public safety could identify them easier. June stated that minors are required to complete a training course and then they receive a sticker on their homeowner's pass. Randy added that public safety does look out for young kids on the roadways.

Jerry Ferraiuolo 861RF-He would like to see the pool expansion to be larger. The community is growing continually. He feels that the expansion should have been done a long time ago. Randy stated that we need to expand within reason. The new pool would be larger than the original. He agrees that the community has grown however there are a limited amount of buildable lots.

Paul Franco 593MR-Asks if we know the economic impact of renters on the community. Gerhard answered that we have no concrete data on the impact on the food and beverage aspects. We do see the increase in rental activity and then witness an increase in revenue in the food and beverage areas.

We do not check ID's at the Marketplace or the Summit. Precise numbers are not available.

Frank Cioce 288MR-Asked the same question as 593MR.

Inaudible-ID Pass Rental Policy Proposal seems like it would have a negative impact on the community. She is concerned about additional charges. June explains that the proposal is not out for review at this time. She recommends waiting to see the proposed policy.

Ivy Chait-Skow 251RF-She wants to know if the bathroom project at the lodge is still going to be done. Randy explained that yes, it is moving forward. The materials have already been ordered. It is not a significant cost to the community.

Benedetto Vieti 819AM-He has been looking at the pool project and was wondering if there may be other concepts under review. He inquired about an indoor pool. June explains that the indoor pool was voted down in the past. Randy agreed that this has been discussed in the past. He continued that other communities that have indoor pools find it under utilized and very costly.

Kurt Larsen 486FW-He addresses the economic impact of renters. Gerhard explains that renters have been on the mountain a long time. The Committee has looked at the cost impact of renters on the community in areas such as administration and compactor area. He added that we need to look at the impact on ski.

Monika Bednarz 1045FW-Can the beach expand? Randy answered that the beach area cannot expand. There is no where to grow. Masthope is purchasing a piece of property where the fishing pier is located.

Joelle Held 454MR-She would like to address the yellow phase with short term rental and trying time slots at the amenities to accommodate everyone. Randy explains that there are no changes in the short-term rental regulations at this time. Management is looking into different options to maintain social distancing at the amenities once they can open.

Lisa Plaia 307MR-Will there be diving area in the new pool? Randy explains that there will be no diving boards. They will be looking at diving blocks for swim competitions.

Inaudible-Can we get an actual number for the income of short-term rentals. Randy answered that the only concrete number we have is in administrative fees. Ski could give an estimated lift ticket sales number. We do not track renters' spending anywhere else.

Lisa Schenkel 64MR-How can we ensure that the Committee members are non-biased towards renters. June answered that the Committee is comprised of both pro and anti-renter members. She attended a meeting and there was a lot of back and forth discussion. Gerhard added that there is a broad spectrum of members. We always advertise for volunteers to join committees. The Committee did have many detailed discussions. Herman added that anyone can attend committee meetings. They are advertised in the Shout Out, Weekly Messages and on line.

Teresa McKibbon 334MR-She stated that she can no longer ski and would like to see an indoor pool that could be enclosed with a glass enclosure that could open in the summer. Randy responded that this has been looked into in the past and it is very costly and underutilized. He explained costs involved with an indoor pool.

Inaudible-Thanks the Board for the teleconference option and for researching the pool proposal. Can Masthope enforce wearing masks? Randy stated that they are looking into what they can enforce. They will enforce the Governor's guidelines. Masthope will be changing as things change in the county.

Motions:

MOTION 01:05:23:20

**Whereas the Board commissioned the ID Pass and Rental Policy Committee to draft a new rental policy for Masthope, and
Whereas this committee has issued the new draft policy to the Board on May 3d, 2020**

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the publication of the draft policy on the community website and the scheduling of a town hall for property owners' feedback on June 7, 2020

**FIRST: GERHARD BUHLER
SECOND: BRUNO DEVINCK
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 02:05:23:20

**Whereas a chargeback for general operations expenses such as insurance, administration, fees, and marketing, from the food and beverage budget had been planned for the 2019-2020 fiscal year, and
Whereas the food and beverage operations have been severely impacted by the continuing COVID-19 pandemic restrictions**

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves to keep the chargeback amounts in the food and beverage operations surplus for the 2019-2020 fiscal year.

**FIRST: GERHARD BUHLER
SECOND: EUGENE PRINCIPE
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 03:05:23:20

Whereas votes are needed by Masthope's property owners to decide the use of operational surpluses and approving an independent auditor

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the attached Motions to be included in the Directed Proxies to be sent a minimum of 30 days prior to the July General Membership Meeting.

**FIRST: FOSTER MCCOY
SECOND: PETER TORCHIO**

MOTION PASSES: FOR 11, AGAINST 0

MOTION 04:05:23:20

Whereas there is a need to approve the employee health insurance plan for the coming year

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the renewal of the employee health insurance plan with Masthope covering 70% of the premium cost for eligible employees.

FIRST: JUNE CARROZZA

SECOND: MARIA PORTER

MOTION PASSES: FOR 11, AGAINST 0

MOTION 05:05:23:20

Whereas there is a need to upgrade our phone system

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves a 2-year agreement with Vonage. Monthly fees will be \$593.42 plus tax. The Vonage package includes 28 rental phones (no charge), unlimited local and long distance, voice recording, forwarding, voicemail and much more.

FIRST: JIM FOX

SECOND: GERHARD BUHLER

MOTION PASSES: FOR 11, AGAINST 0

MOTION 06:05:23:20

Whereas the Appeals Committee, is a standing committee per the bylaws of the Masthope Mountain Community, with one chair and 6 members, needing a minimum of 3 members to hear an appeal

Whereas the community has been actively looking for volunteer members to join the committee,

Therefore be it resolved that the Masthope Mountain Community Board of Directors appoints Bonnie Wigsten as the 6th member of the Appeals Committee.

FIRST: JUNE CARROZZA

SECOND: BRUNO DEVINCK

MOTION PASSES: FOR 11, AGAINST 0

MOTION 07:05:23:20

Whereas the Strategic Planning and Facility Planning Committee is a standing committee per the Bylaws of the Masthope Mountain Community and Rose Perrotti, the Chairperson has resigned, and Rose Perrotti has recommended to the BOD Roberta Hoose to be Chairperson of the Strategic and Facility Planning Committee.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves Roberta Hoose as Chairperson of the Strategic and Facility Planning Committee

**FIRST: JUNE CARROZZA
SECOND: BRUNO DEVINCK
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 08:05:23:20

**Whereas the Strategic and Facility Planning Committee, is a standing committee per the Bylaws of the Masthope Mountain Community, with a minimum 6-maximum 10 members
Whereas the community has been actively looking for volunteer members to join the committee**

Therefore be it resolved that the Masthope Mountain Community Board of Directors appoints Matthew Spalding as a new member of the Strategic and Facility Planning Committee.

**FIRST: JUNE CARROZZA
SECOND: PETER TORCHIO
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 09:05:23:20

**Whereas the rules for the use of Masthope's Beach area and pool complex need to be approved by the Board, and
Whereas the new rules need to be incorporated into the Masthope Mountain Community Property Owners Handbook, Rules and Regulations**

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the updated beach area rules and pool rules attached to this motion and approve the corresponding update of the handbook. This electronic motion will be memorialized in the next regular board meeting.

**FIRST: GERHARD BUHLER
SECOND: JUNE CARROZZA
MOTION PASSES: FOR 11, AGAINST 0**

Open Session Adjourned 11:03am

Treasurer's Report for Period Ending April 30, 2020

Unaudited

Collections - YTD

	Apr 19	Mar 20	Apr 20
Total	2039	2034	2034
Billable	1719	1714	1714
Paid in Full	1621	1620	1624
Percent	94.3%	94.5%	94.7%
Outstanding - Lots	98	94	90
Outstanding - Dues	\$164,900	\$169,975	\$162,450
Total Bad Debt Lots	31	31	31

Unrestricted Income and Expense - YTD

	Apr 19 YTD	Mar 20 YTD	Apr 20 YTD
Revenues to date	\$2,744,370	\$2,915,186	\$2,925,353
Expenses to date	\$2,630,957	\$2,659,504	\$2,786,547
Net Surplus (deficit)	\$113,413	\$255,682	\$138,806
Margin (Net/Revenue)	4.1%	8.8%	4.7%

The Summit - YTD

Revenues to date	\$1,657,458	\$1,719,776	\$1,745,952
Expenses to date	\$1,527,781	\$1,614,337	\$1,648,169
Net Surplus (deficit)	\$129,677	\$105,439	\$97,783
Inventory	\$30,834	\$40,928	\$35,350

The Market Place - YTD

Revenues to date	\$464,893	\$489,569	\$505,543
Expenses to date	\$522,251	\$512,856	\$532,067
Net Surplus (deficit)	(\$57,358)	(\$23,287)	(\$26,524)
Inventory	\$35,704	\$14,052	\$12,029

Summit/Market Net Surplus (Deficit)

	\$72,319	\$82,152	\$71,259
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President correspondences:

There was a total of 10 correspondences received. Two were from property owners with feedback from the first teleconference. The input received was positive except for the volume of voices, and limit on questions. Due to the increase of property owners attending, and creating a reasonable meeting time, we had limited the property owners time to one question per property owner. All other questions could be forwarded to boardpresident@masthope.org anytime. One person was happy with the no smoking at pool and wanted to know if it also could be addressed in the playground and beach. It will be in today's discussion. Two correspondences had to do with owners wanting to join committees. Another was a follow up on the Aqua spraying. Only one was about closures and dues. Homeowner reported water issues and that was forwarded to RMC. Another question dealt with obtaining a mailbox in the community, the POC is following up. Another was from a property owner who wanted to put a formal complaint in regarding a home that shot off fireworks, causing fire, security and state police to be called. Shooting fireworks in Masthope is prohibited.

Presidents Report

With our first teleconference, we had 75 homes dialed in listening to the April BOD meeting. We hope to have more attending with each meeting. The best way to get the answers is getting involved, attending the meetings. Questions or concerns can be answered at any time. Taking your questions to Facebook pages is not always the best way, instead email us with your questions. It is important to stay united during difficult times. Many times, false information causes diversity among us.

Our fiscal year began May 1st, we continue to pay our loans, bills, and staff. Business is continuing in the background. We are planning on how to safely open and get back to business. As many of you know there are three levels: red, yellow, and then green. Our area is still in the red and waiting to be downgraded. Keeping social distancing is crucial to getting there. We are in uncharted waters so things might need to be tweaked at times. New protocols had to be created to provide for the safety of both you and our staff. We extended the July BOD election petitions to May 15, 2020 and received 4 candidates. Townhalls will be posted. Masthope will have a different look this summer, it is a sliver in time, and will not last forever. So, we appreciate your patience, and applaud your cooperation. We will come back and celebrate again.

Managers' report 5-20-2020

While remaining in the red phase of the governor's stay at home order, we continue to plan for change. Pike County has not met the standards for moving to the yellow phase which will allow for a slight relief of restrictions. As a community, we have worked well together to prevent an outbreak of Covid-19 in Masthope.

There have been some changes in our status, the opening of the boat launch, river access and this weekend, the mini golf course. These are very small steps to our return to normalcy, but we are moving forward. Many have asked that we push the opening process faster. We must hold the course and follow the guidance from the government. We may see our neighbors disregard the Governor's orders. Masthope cannot, there is too much to lose. Rest assured we are monitoring any movement or changes to restrictions and will react as quickly as we feel safe and reasonable changes can be made.

Your staff continues to work through this crisis. Each department has a mission. We have been meeting with managers to assure everyone is on track and understands the changes we must make to be successful while working in this difficult situation.

This week, we will open the Market Place and Office to the public. Your cooperation to not overcrowd is appreciated. The safest way of business is still by phone or ordering ahead. Should you decide to visit and are asked to wait outside, it is for the protection of staff and yourself. The Beach House take out window will be open offering ice cream and snacks and mini golf will be open. Social distancing will be practiced at all locations and masks will be required where appropriate.

Recreation Management is committed to the continued safety and the efficient operations of Masthope. Working with the Board, we hope to guide Masthope through this difficult time.

Expanded Pool Complex Proposal

There has been a conversation about a new pool in Masthope for many years. In 2012, committees began working on different concepts including a pool at the beach, pool complex at the shale pit, splash pads, large slides, zero entry pools and much more. It may now be the time to put a plan in action.

In 2023, the community will pay off a combined loan which encompasses the Lodge, Beach House and Ski loans. Several years ago, the Board took advantage of lower interest rates to restructure these loans allowing them to be paid off more quickly while saving on interest and fees. Now is the time to consider a similar financial decision, interest rates are low, and the community is financially stable.

The concept would be to refinance the existing loan in combination with the pool project. While this will extend the length of the loan, it may have a positive impact on annual assessments. What that means is the amount you currently pay for the payment of the existing loan may be reduced and include the installation of an expanded pool complex. In layman's terms you currently pay approximately \$322 to pay the loan, with refinance you may reduce that payment to \$250 and have an expanded pool facility. The end number will vary with the scope of the project. There is an Excel file posted that will demonstrate the financial impacts.

What does the project include?

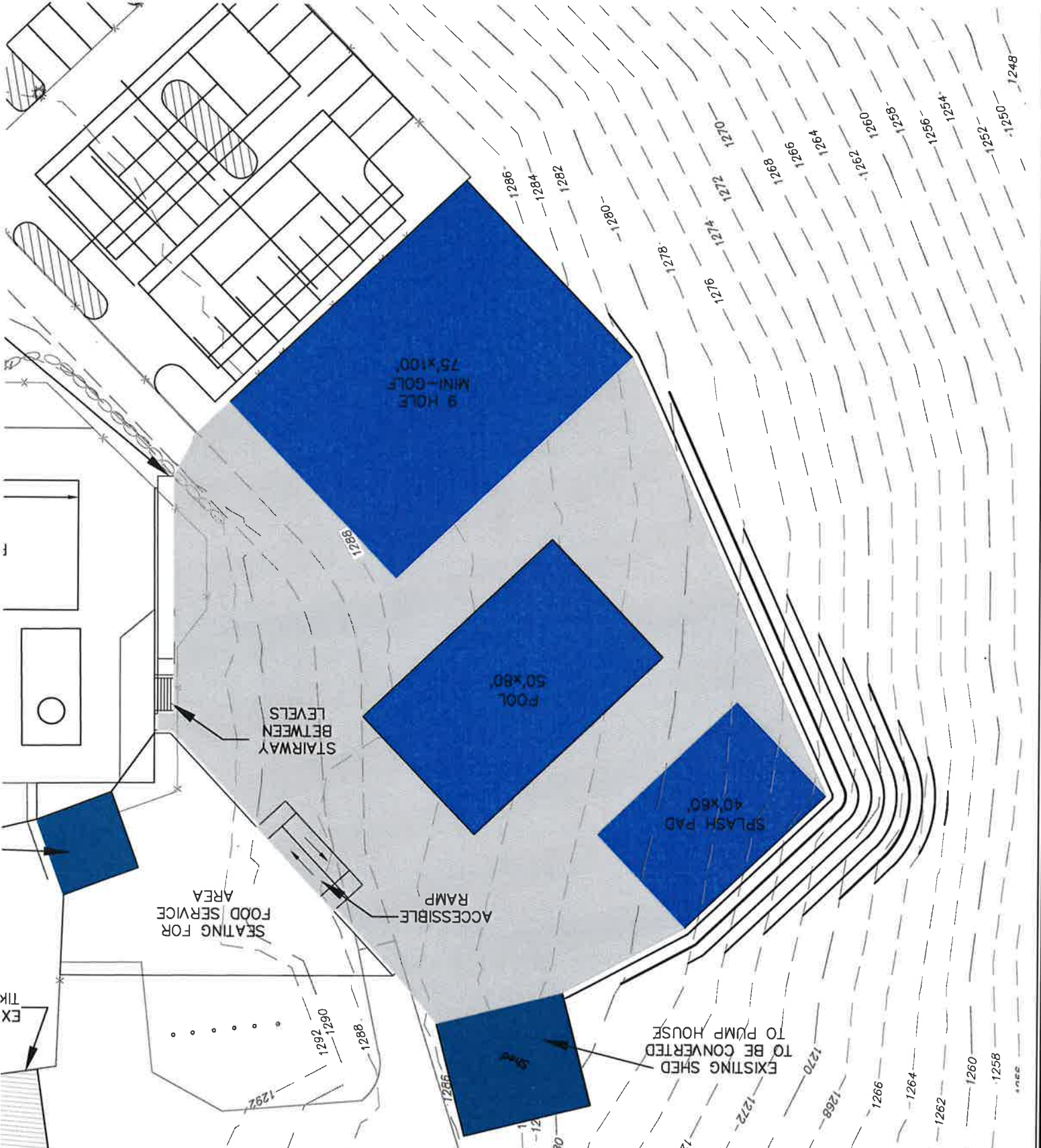
The project would be an expansion of the existing pool complex. It makes most sense to expand the pool complex because we currently have all the infrastructure such as utilities, parking, restaurant, and other necessary facilities in place.

What does this project include?

1. An additional pool similar in size to the existing pool.
2. Large slides installed in either the existing pool or new pool.
3. Small splash pad for young children.
4. Moving pool equipment from existing pump house to new building.
5. Upgrade of existing pool including modern pumps, heat, and sanitation equipment.
6. Add restroom/changing rooms within the pool complex.

7. Expanded seating area with shade sails.
8. Add a service bar in the pool complex.
9. Provide additional dining area for the Tiki bar.

This is a major project, that will require state and local permitting, construction during the winter months and planning for building and pool construction. If acted on quickly, it is possible to have this completed for next summer.



			Useful life years	
Annual Capital Reserve Increases				
L&P Furniture	7500	10000	1	6.25
Pool heater 2 units		6000	6	0.63
Pool heater 2 units		6000	7	0.54
Pool heater 2 units		6000	7	0.54
Shade Sales		15000	10	0.94
Surface Repair		75000	15	3.13
Pool cover		10000	10	0.63
Slides		40000	15	1.67
Bar equipment		10000	5	1.25
Bar equipment		10000	7	0.89
Bar equipment		10000	10	0.63
Pump building		15000	15	0.63
Bathrooms		10000	10	0.63
Bar		5000	10	0.31
Annual Capital Reserve Increases				\$18.63

	20/21 Budget	Budget impact		
L&P - HEAD LIFE GUARD	10,000.00	10,000.00		
LAKE & POOL PAYROLL	50,000.00	70,000.00		
L&P - BOAT MASTERS	20,000.00	20,000.00		
L&P - GATE CHECKERS	26,000.00	35,000.00		
L&P - PAYROLL TAXES	19,000.00	25,000.00		
L&P - TELEPHONE	2,000.00	2,000.00		
L&P - SAND REPLACEMENT	3,800.00	3,800.00		
L&P - INSPECTIONS & PERMITS	2,000.00	2,500.00		
L&P - CHEMICALS	9,000.00	15,000.00		
L&P - UNIFORMS	500.00	650.00		
L&P - MAINT & REPAIR	13,000.00	18,000.00		
L&P - LAKE TREATMENT	11,000.00	11,000.00		
L&P BOAT USAGE EXP	500.00	500.00		
L&P - SUPPLIES	2,000.00	2,500.00		
L&P - FIRST AID SUPPLIES	500.00	750.00		
L&P - CERTIFICATION GUARDS	1,000.00	1,200.00		
LAKE & POOL EXPENSES	170,300.00	217,900.00		
Annual cost based on 1600	106.4375	136.1875		
Annual cost increase			29.75	
Maintenance payroll	252000	260000		
Maint payroll taxes	33000	34000		
	285000	294000		
Annual cost based on 1600	178.13	183.75		
Annual cost increase			5.63	