

**Masthope Mountain Community
Board of Directors Meeting
August 22, 2020**

Recorder: Melissa Greco
Transcriber: Kelli Myers
Teleconference

8:30 AM Meeting called to order.

Roll Call: Present Gerhard Buhler, June Murphy Carrozza, Bruno de Vinck, Anthony Falcone, Jim Fox, Tom Garrity, Herman Matfes, Ed McClary, Foster McCoy, Chris Pisani, and Eugene Principe.

Bruno asks for the approval of the agenda. He added there will be 4 motions under New Business. One is to approve a road bid, second to approve the pool engineering costs, third to approve the purchase of new pipes to replace some for snow making and some for the new pool construction, and fourth will be to approve the pool finance structure. The motions will be discussed in New Business. Property Owners will have the ability to ask questions during Property Owners Time. Gerhard added that there will be a discussion regarding the loan restructuring under New Business.

The agenda was approved unanimously.

Bruno asks for the approval of the July 28th, 2020 Minutes. Minutes were approved unanimously.

Gerhard asked for a formal roll call for the meeting. (See Roll Call above)

Treasurer's Report- for period ending June 30th, 2020-Gerhard Buhler-see attached.

Treasurer's Report was approved unanimously.

President's Report-June Carrozza-See attached. She announced that she opened the road bids and handed them to Randy for review and recommendation.

Manager's Report-Randy Schmalzle

Thanks everyone for their cooperation this summer during the pandemic. The numbers at the lake and pool have been good throughout the season. He received the road bids from June. They received bids from Wayco and Leeward Construction. After reviewing the bids, Randy recommended Wayco to be awarded the bid. The drainage project on Upper Independence is under way. The pool project update is posted on our website. Randy has met with the Board,

township, contractors, and engineers regarding the pool project. He has listened to the membership's wants regarding the pool and believes that they have come to a good balance for this project. June and Randy visited a community that recently had a pool installed. This pool will have a zero-entrance area, ramp access, ledge design seating in the pool, the pool will be able to host swim meets, there will be some shaded areas in the pool as well. This will be a two-pool concept. The existing slides will be relocated. The kiddie pool will remain but with more features added. There will be new decking. The splash pad will be near the kiddie pool. There will be shade sails and additional umbrellas added to the deck area. They may do a hybrid system regarding pool furniture. The Tiki area will be expanded. The Board has been actively involved in this project. Public Safety has been busy this summer. There will be a greater presence of public safety at Riverpark. It is being highly utilized by members. Please remember to not block the roadway at Riverpark. He mentioned the motion for purchasing pipes for snowmaking and the pool project that will be presented later in the meeting. The food and beverage department is in a good position. We need to stay vigilant with monitoring inventory and staffing. We encourage everyone to support the Summit and the Marketplace. The office has been extremely busy. We have been limiting access to the office. We apologize for any inconvenience. Anthony asks if the swim team would affect the pool hours. Randy answered that practices would occur before the pool opens. There may be a couple of meets in the summer that may have minimal impact on the regular operations of the pool. Gerhard added further information on the status of the food and beverage discussion. Gerhard asked that with the road bids coming in under budget does that mean that we do not have to prioritize the roads that will be done. Randy responded yes, all roads on the list can be done. Randy continued that there are drainage issues in the community that will be addressed and funded by the roads budget. They purposely left funds open for that reason. Randy explained the road bid process. June asked if the Summit could do some type of takeout specials for the holiday weekend to boost revenue. Randy answered that the Summit's majority of sales are from takeout orders. He can speak with Linda and Nick and see if they could create some specials for the weekend. June asked if both pools would be open at the same times. Randy answered that is something to be discussed and reviewed. Bruno asked if there was a way to segregate the two pools. Randy answered yes there will be gates that will be able to divide the pools. They may begin with opening one pool earlier and then phase into the other. It will be based on usage. Jim asked about the plan moving forward into the winter season. Randy answered that there is no easy answer. He continued that we are lucky that the restaurant only encompasses 20% of the lodge, leaving a lot of space to work with this winter. They continue to look into many options. Discussion continued.

Correspondence-See attached.

Randy responded to one of the correspondences regarding the horse stables. He explained that unfortunately we lost a few horses. They were older horses. We did bring in additional leased horses. The stables had a difficult season between horses getting sick and the hot temperatures. Horses are very temperamental in the heat. They cannot be overworked. We apologize for anyone who could not get into the stables, but they were terribly busy all season. They will be looking into possibly restructuring the operations of the stables. Bruno added that he is always impressed by how well the stables are maintained.

Financial Committee-Gerhard Buhler-The committee had their quarterly meeting to discuss the upcoming budget process. It is going to be a particularly difficult year. They discussed restructuring the loans that would save the community a significant amount of money.

Document Review Committee-Tom Garrity-He thanks the staff for their work while operating during this pandemic. He explains that the committee is working on SOPs for various committees such as the ECC Committee, ECC Appeals Committee, etc. They are working on separating the rules and regulations from the handbook to create a more user-friendly document.

Fire Prevention-Jim Fox-It has been a good season. He reminds everyone to look at Smokey for guidance. He also reminds everyone to have a working hose ready while burning any type of fire being recreational or for clean-up.

June asks Bruno to have Jim Fox review ECC activities. Jim explained that some homeowners are complaining about untidy lots in the community. The committee is planning on meeting with June and management to discuss steps moving forward. The committee has been feeling unappreciated. The committee is ready to get out and cleanup the community. Bruno agreed that it is surprising to see these untidy lots in the community. Gerhard addresses the committee's feelings of lack of appreciation. He asks what the board needs to do to help this matter. Discussion continued.

ID Pass and Rental Review Policy Committee-Gerhard Buhler-Nothing new to report.

Technology Committee-Herman Matfes-The committee has a recommendation on the pass system and is going to pass the information to management. They will be looking further into the community website. Gerhard asks if there is something that the board can vote on to move this project forward? (Herman's response was inaudible) Randy answered that Masthope applied for a grant from Pike County to assist with the purchase of the scanner system. We do have the final quote from the one vendor that was submitted in the grant application. We are waiting to hear back from the county to see if we receive the grant. Bruno asked if it was a fixed amount or percentage of the costs. Randy answered that there is no fixed amount. The amount is determined by the county. Anthony asked what the determination of the grant is. Randy answered that it is based on how to reduce the spread of COVID. June asked if this would include the walk thru scanners for ski. Randy answered that Recreation Management applied for that part. Masthope applied for the Community side. The two systems would work as one. June added that homeowners should bring in their most current deed for updating their information. That will be required when the system is in place to get their new passes.

WLA-Gerhard Buhler-The fish study that was performed is on the website for viewing. Please obey the speed limit on Westcolang Road. There is a lot of foot traffic on the roadways. Jim Fox agrees that everyone should slow down while driving along Westcolang Road.

New Business:

June announced that the fireworks are cancelled for this summer. The Governor's restrictions have not changed. Randy added that discussion took place on how to have the fireworks this year, but it was not possible. The idea of fireworks on New Year's Eve was discussed but visibility is limited and dangerous for the company doing the fireworks. Anthony asked what the cost was. Randy answered about \$5,000. Discussion continued and it was decided to cancel the fireworks.

DMAP-June-There will be 50 coupons issued. Hunting is Monday-Thursday. Call the office if interested. First session is in October. Jim explained further that there is no hunting on weekends. Gerhard asks for more DMAP clarification. June explains that DMAP is to help manage the deer population and only doe are permitted to be hunted. It is for bow hunters only and you must have a hunting license. The deer can be donated to a local food pantry. Discussion continued. Peter Torchio reiterated to contact the office if anyone is interested. There will be two meetings prior to the start of the first session. Please only apply if you can hunt on the specified dates.

Gerhard addresses the restructuring of the loan for financing the pool project. In summation, by refinancing the loan and doing the hybrid financing of the pool project, Masthope would save \$140,000 over the 10 years. The context will be in the motion.

Anthony reads the proposed motions.

Eugene asks, if we do not have any mules, how will we remove snow from the walkways. Randy answered that we still have 2 and one has plow on it. We are finding the mini trucks much more beneficial for maintenance.

Anthony reads a final motion to memorialize prior motions.

Property Owner's Time:

Loretta Fonseca 1088FW-She asks how many lots are in arrears and how does Masthope do collections. She also asks how many property owners are on payment plans. Gerhard answered that there is an ongoing effort from the office to collect payments. Randy added that we use an outside collection company for owners that are severally in arrears. He is looking up the number of current payment plans and will have the number later in the meeting.

Jerry Ferraiuolo 861RF-Asks if we will have the 911 ceremony and will there be any impact due to COVID. He asks about the depth of the new pool. June answered that the pool depth would allow for the swim team to practice and compete in the new pool. People do like to swim in the deep end of pools. This pool has many different features for people including seating areas.

Randy answered that there are currently 172 people on payment plans. He added that there will be a 911 ceremony. Everyone must wear a mask and social distance.

Karen Spano 541FW-She is asking for an update on the illegal firework activity and issued citations. She would like to know where homeowners could find information on fireworks and citations that are given out by public safety. Randy stated that he will reach out to regarding her concerns.

John Becker 138FW-He thanks the board for their hard work. He asked if there was a discussion about the community adding a hot tub to the pool area. He asked if there was a study done on the deer population in the community and if so, could it be published for the community to view. Randy answered the hot tub was not an item of consideration. Sanitation is a big issue for hot tubs. He stated that there was no formal study done on the deer population. A biologist did present us with a presentation on the deer in communities and surrounding areas.

Phil Balzafiore 464MR-Do the homeowners in arrears rent their homes? Randy answered that you cannot rent your home if in arrears. Some owners could be in arrears due to an unpaid citation, not necessarily unpaid dues. In general, you cannot rent your home if you are not in good standing. We can run a spreadsheet to show amounts and the length of time that owners are in arrears.

Christine Brown 101CM-She feels the new pool plan looks amazing. She asked if there are going to be restrooms in the pool area. Randy answered that there will be restrooms in the pool complex.

Robin Hoose 121FW-Thanks the staff, board and management for the great job that was done this summer season in keeping the facilities opened and maintained.

Joe Kosiba 213FW-He asks if it is a good idea to refinance the loan. He asks how collections is affected this year due to the current state of the economy due to the pandemic. Gerhard stated that refinancing the loan has no impact on the operational budget. For Reserves, the community has enough cash on hand. Randy answered that there are no new regulations on the collection of dues. The board did create a couple different payment plans to make this time easier when paying dues. Anyone having difficulty should contact the office.

MOTION 01:08:22:20

Whereas bids have been received for the 2020-2021 Masthope Road Maintenance.

Therefore, be it resolved that the Masthope Mountain Community Board of Directors approves the road bid for \$208,297.04 submitted by Wayco. This bid is to be used for road repair not to exceed the budget allowance of \$250,000. The lists of roads in need of paving maintenance will be modified based on priority

FIRST: JUNE CARROZZA

SECOND: EUGENE PRINCIPE

MOTION PASSES: FOR 11, AGAINST 0

MOTION 02:08:22:20

**Whereas the Masthope Mountain Community property owners have approved the restructuring of Masthope's capital loans with the goal of funding the construction loan for an extended pool complex and new pool, and
Whereas, the engineering documentation for the new pool and pool complex is a critical requirement to obtain bids from qualified companies;**

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves to proceed with the engineering of the project not to exceed \$12,500, to come from the budgeted part of the pool project.

**FIRST: GERHARD BUHLER
SECOND: TOM GARRITY
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 03:08:22:20

Whereas there is a need to purchase pipe for the use in the replacement of the supply line for the snowmaking in the section on Karl Hope Blvd between Constitution and Log Cabin Drive, and also to replace parts of the supply line at the shop and hill area; and Whereas, there is also a need to purchase pipe for the pool project that will be used for the installation of the shade sails;

Therefore, be it resolved that the Masthope Mountain Community Board of Directors approves the purchase of the pipe from Crestwood Tubular not to exceed \$25,000, of which approximately \$18,000 is allocated to be used for ski and \$7,000 is allocated to be used for the pool, with a final division of cost upon completion of the pool shade sails project. Any excess pipe will be charged to the ski reserve for future use.

**FIRST: TOM GARRITY
SECOND: HERMAN MATFES
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 04:08:22:20

Whereas the Masthope Mountain Community Planned Spending plan for 2020-2021 budget year calls for the replacement of one of the Kawasaki mules currently on service; and Whereas this item is listed in the capital reserve with a purchase price of \$6,000; and Whereas we are unable to find a truck in this price range, and need to spend up to \$8,500;

Therefore, be it resolved that the Masthope Mountain Community Board of Directors approves to spend up to \$8,500 for the purchase of a mini truck as a replacement vehicle out of the Masthope Mountain Community Restricted Reserve Account-General.

**FIRST: JUNE CARROZZA
SECOND: FOSTER MCCOY
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 05:08:22:20

Whereas at the July, 2020, General Membership Meeting, the Masthope Mountain community has voted to approve the restructuring of the existing Ski loan, Lodge loan, and Beach House/ Riverpark loan plus the additional financing of the expansion of the pool complex, and Whereas proposals from Wayne Bank for the appropriate loan agreements and considerations by the Financial Committee have demonstrated that a hybrid loan with monies borrowed from Wayne1 Bank and funded from Masthope Mountain Community Reserves Investments coming due in April and June of 2021, will result in savings of approximately \$140,000,

Therefore, be it resolved that the Masthope Mountain Community Board of Directors approves the restructuring of the loans as follows:

-Loan from Wayne Bank with a guaranteed interest rate of 4.45% p.a. over 10 years at an amount of \$1,756,000 or less depending on pool contract cost

-Loan from Masthope Mountain Reserves Investments with an interest rate of 1.00% p.a. over 6 years at an amount of \$700,000

-In order to assure on time financing/draw-downs of the pool project, a line of credit in the amount of \$700,000 will be set up which will be paid off through the investments coming due in April and June, 2021

FIRST: BRUNO DEVINCK

SECOND: EUGENE PRINCIPE

MOTION PASSES: FOR 11, AGAINST 0

MOTION 06:08:22:20

Whereas time critical decisions had to be made by the Masthope Community Board of Directors via electronic voting on motions, and

Whereas these motions need to be memorialized in a regularly scheduled board meeting,

Therefore, be it resolved that the Masthope Mountain Community Board of Directors memorializes the following motions:

-Motion 1:07:11:20, Executive meeting reorganization, Approved 11 yes, 0 no, on July 28, 2020

-Motion 02:08:22:20, Safeguard assets with two signatures, Approved 11 yes, 0 no

-Motion 03:08:22:20, Notification of Penn L.C.B and banks of new officers, Approved 11 yes, 0 no

FIRST: JUNE CARROZZA

SECOND: TOM GARRITY

MOTION PASSES: FOR 11, AGAINST 0

Meeting adjourned 10:27am.

Executive Session opens 11:00am

Executive Session adjourned 11:15am

Open Session opens 11:16am

Open Session adjourned 11:17am

Treasurer's Report for Period Ending August 31, 2020

Unaudited

Collections - YTD

	Aug 19	Jul 20	Aug 20
Total	2038	2034	2034
Billable	1718	1714	1714
Paid in Full	1434	1396	1414
Percent	83.5%	81.4%	82.5%
Outstanding - Lots	284	318	300
Outstanding - Dues	\$316,872	\$467,754	\$325,190
Total Bad Debt Lots	31	31	31

Unrestricted Income and Expense - YTD

	Aug 19 YTD	Jul 20 YTD	Aug 20 YTD
Revenues to date	\$2,589,342	\$2,439,589	\$2,570,393
Expenses to date	\$979,693	\$627,613	\$883,633
Net Surplus (deficit)	\$1,609,650	\$1,811,977	\$1,686,760
Margin (Net/Revenue)	62.2%	74.3%	65.6%

The Summit - YTD

Revenues to date	\$723,549	\$341,493	\$534,997
Expenses to date	\$667,978	\$318,174	\$463,324
Net Surplus (deficit)	\$55,570	\$23,320	\$71,672
Inventory	\$36,555	\$37,082	\$34,147

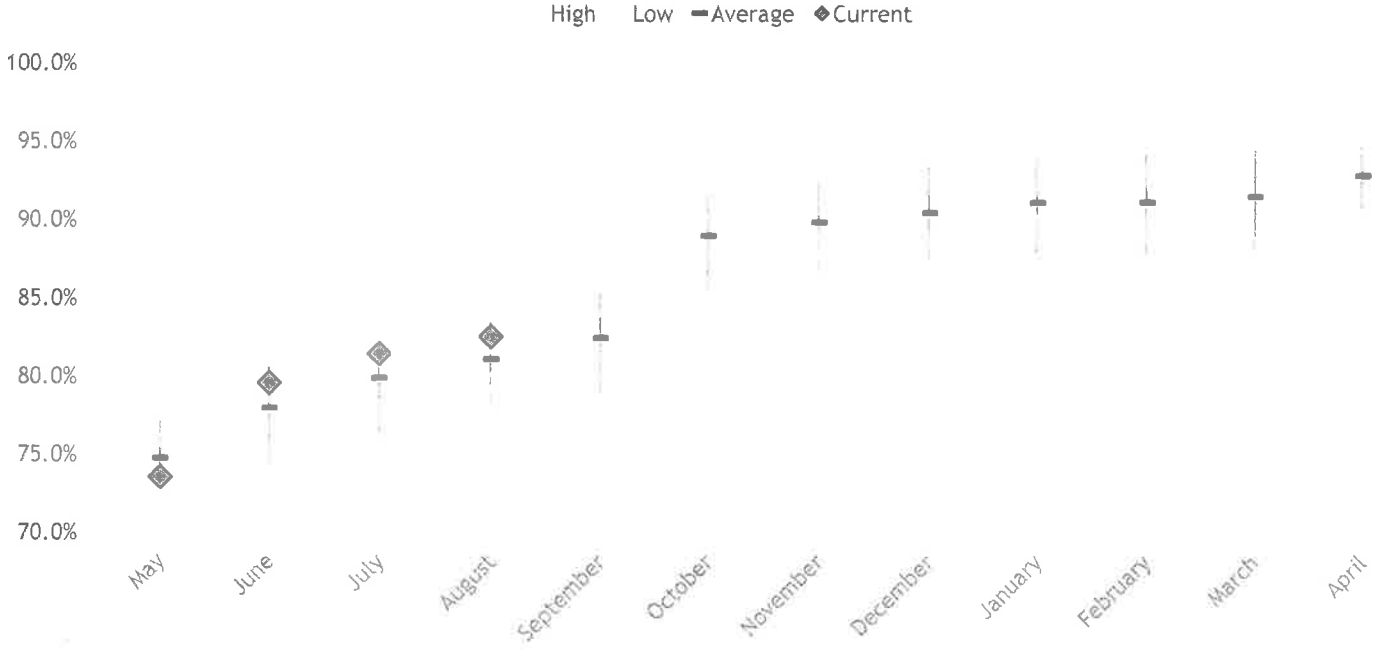
The Market Place - YTD

Revenues to date	\$226,399	\$138,687	\$205,986
Expenses to date	\$216,455	\$123,170	\$182,526
Net Surplus (deficit)	\$9,944	\$15,517	\$23,460
Inventory	\$10,805	\$22,379	\$20,764

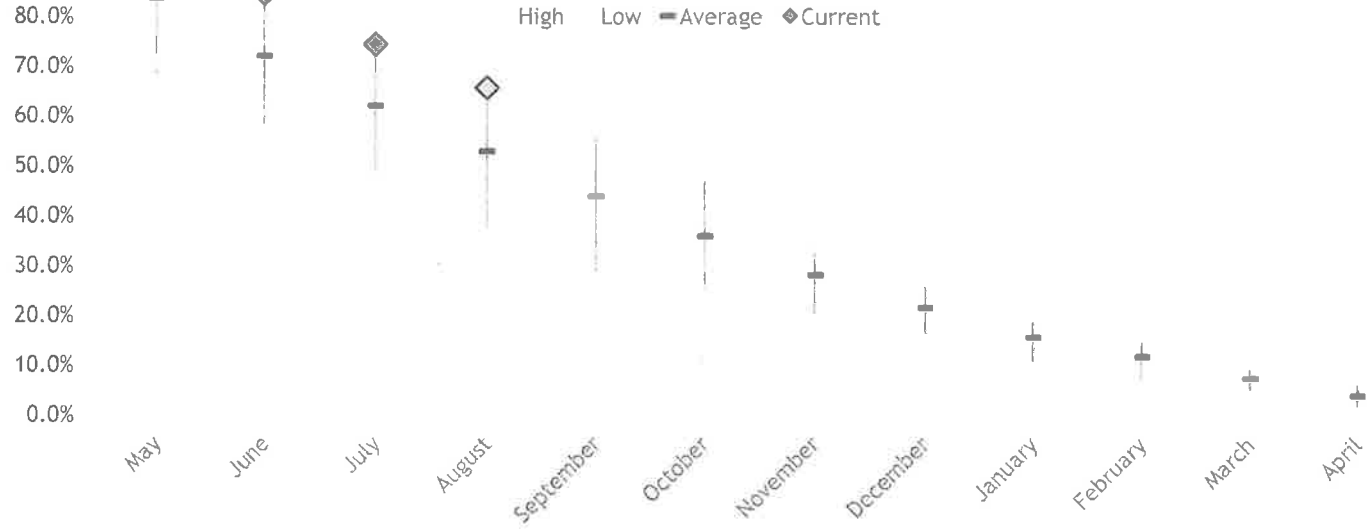
Summit/Market Net Surplus (Deficit)

	\$65,514	\$38,837	\$95,133
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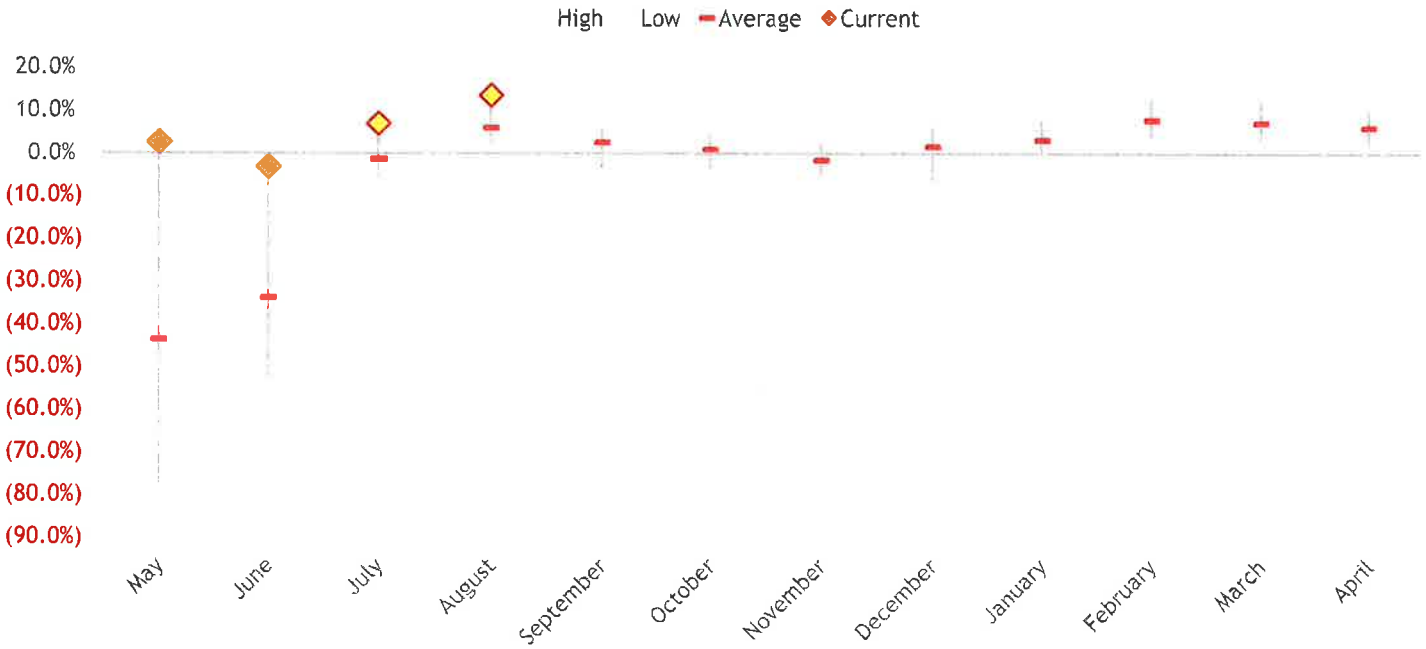
COLLECTION CHART - YTD



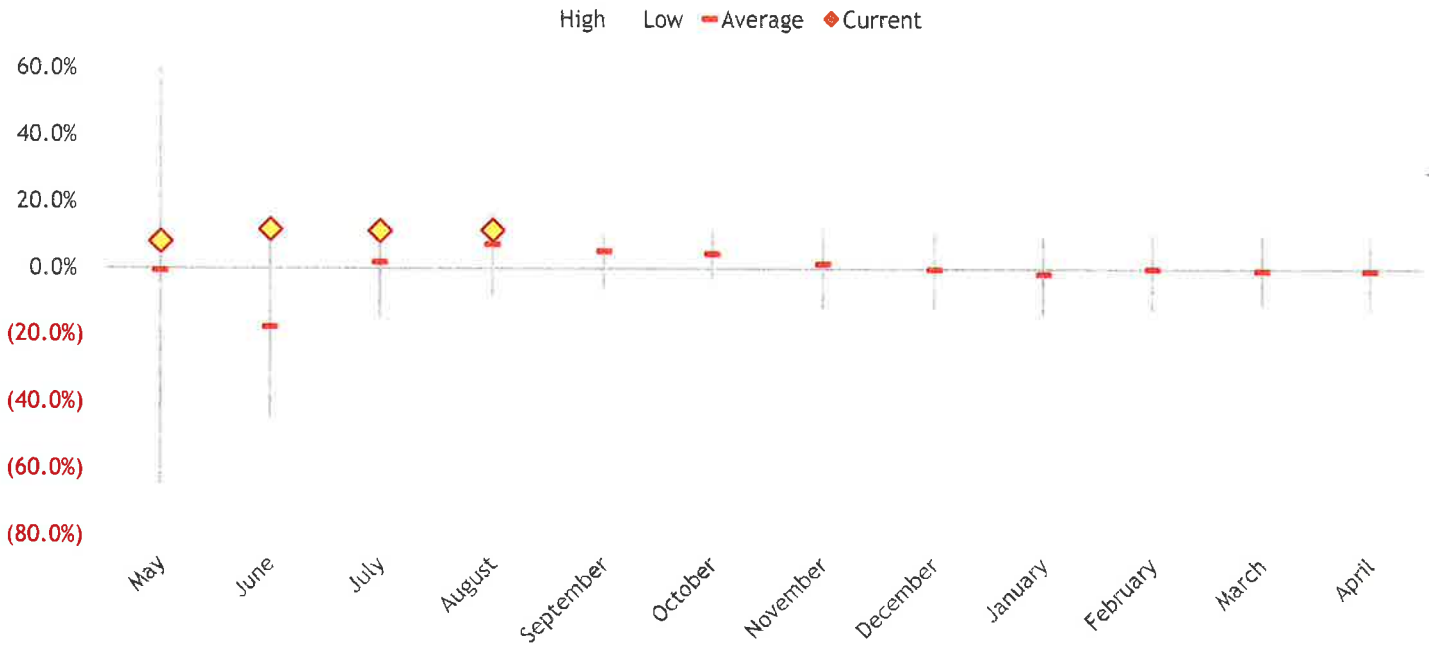
OPERATIONS CHART - YTD OPERATING MARGIN



SUMMIT CHART - YTD MARGIN



MARKETPLACE CHART - YTD MARGIN



President Report

With the continued COVID-19 guideline restrictions of no more than 25 people, we are not meeting in person with members and continue to teleconference from home. We will be having a discussion on the fireworks later in the meeting. The pool and lake area continue to be on a schedule. People are cooperating by handing in their bands as they leave so others can enjoy. Now we have allowed both guests and renters into the amenities Monday thru Thursday. There have been a few reports that an owner has been blocked to sit in the pool area or at lake. In the follow up, we found they were able to get white band or even switch from lake to pool and that the afternoon sessions seem to be the most popular. Randy will give us an update on the numbers. The board has decided that for the holiday weekend from Friday, Sept. 4th to Monday Sept. 7th only property owners and long-term renters will be allowed in those areas. There have been complaints from the neighbors at the river park that people are parking on their property and not social distancing. Please respect our neighbors and remain off their property, wear masks and social distance for everyone's safety. Security will be monitoring the area. Today, we will be updating everyone on the progress of the pool. We have listened to all your input, met with the engineers and Randy will present this in his report. Thank you to all our staff. As you walk past our staff today, thank them, because without them, we all would not have enjoyed the summer.

Correspondences

I received 48 correspondences this month. It is good to hear your input. There are too many of these letters to mention each and every one, but here is a summary:

- We still get input on the rental policy.
- Questions and ideas for committees continue.
- Continued discussions on new pool. Most of that will be addressed today in Randy's report.
- Report of increase number of trucks in shale pit. We are doing some work on drains and moving resources to use on our pool project.
- Concerns on ATV/UTV and golf cart rules and ages of the children. A licensed adult should be riding with their children. Public safety will be enforcing this rule.
- Request for meeting with the president but unable to connect with the member.
- Both homeowners and our neighbors at our River park had concerns about increased volume of people, cars, social distancing, and people parking on their property. Please observe signage and rules.
- Concerns on not being able to make reservations at the Stables and some glitches with our new phone system.
- Discussions for and against opening areas to guests and renters Monday thru Thursday.
- Questions on who can purchase property here.
- Property owner stressing that property owners should not feed the deer.

All in all, a very active month for correspondence.