



**WILLIAM  
OWENS  
&  
COMPANY**

**CERTIFIED PUBLIC ACCOUNTANT  
A PROFESSIONAL CORPORATION**

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CARBONDALE, PA 18407  
570-281-9760

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MONTROSE, PA 18801  
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**MASTHOPE MOUNTAIN COMMUNITY  
PROPERTY OWNERS COUNCIL**

Financial Statements  
And Supplementary Information

For the Fiscal Year Ended, April 30, 2014

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Masthope Mountain Community Property Owners Council

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Masthope Mountain Community Property Owners Council which comprise the balance sheets as of April 30, 2014 and the related statements of revenues and expenses, and changes in fund balances and cash flows for the fiscal year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Basis for Qualified Opinion***

As explained in Note 1 to the financial statements, it is the practice of the Association to reserve 100% of the outstanding dues receivable and report the income from assessments on the cash basis. Generally accepted accounting principles require that a provision for uncollectible accounts receivable be recorded for those account receivables which are deemed uncollectible. Since the collectible portion of the dues is not accurately able to be predicted by management the Association has recorded a 100% provision for uncollectible accounts receivable in the accompanying financial statements, effectively recording revenue on the cash basis, which is a departure from generally accepted accounting principles. The effects of this departure from generally accepted accounting principles have not been determined.

### ***Qualified Opinion***

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Masthope Mountain Community Property Owners Council as of April 30, 2014, and the operations and its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplementary Schedule of Departmental Expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### ***Other Matter***

Management has omitted supplementary information on future major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

*William Owens & Co, CPA*

William Owens & Company, CPA  
Carbondale, PA 18407  
July 7, 2014

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
BALANCE SHEETS  
APRIL 30, 2014**

	Operating Fund	Restricted Fund	Eliminations	Total
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	\$ 1,921,298	\$ -	\$ -	\$ 1,921,298
Cash and Cash Equivalents - Restricted for Future Repairs and Replacement	-	731,854	-	731,854
Cash-Restricted for Ski Loan	-	317,880	-	317,880
Cash-Restricted for Lodge Loan Repayment	-	133,999	-	133,999
Cash-Restricted for Road Repair	-	79,226	-	79,226
Other Receivables	30,131	-	-	30,131
Due To/From Other Funds	-	165,133	(165,133)	-
Inventory	41,729	-	-	41,729
Inventory Lots	-	133,211	-	133,211
Prepaid Expenses	43,359	-	-	43,359
<b>Total Current Assets</b>	<u>2,036,517</u>	<u>1,561,303</u>	<u>(165,133)</u>	<u>3,432,687</u>
<b>Property and Equipment</b>				
Land	1,097,263	-	-	1,097,263
Roads	634,641	-	-	634,641
Buildings and Improvements	6,746,356	-	-	6,746,356
Furniture and Fixtures	171,350	-	-	171,350
Vehicles and Equipment	3,476,866	-	-	3,476,866
Horses	16,250	-	-	16,250
Less: Accumulated Depreciation	(4,003,175)	-	-	(4,003,175)
<b>Net Property and Equipment</b>	<u>8,139,551</u>	<u>-</u>	<u>-</u>	<u>8,139,551</u>
<b>Other Assets</b>				
Cash - Renters Deposits	52,864	-	-	52,864
Cash-Lottery Account	19,076	-	-	19,076
Certificates of Deposit	-	357,899	-	357,899
Cash - Escrow Deposits	1,600	-	-	1,600
Closing Costs	15,350	-	-	15,350
Liquor License	30,953	-	-	30,953
Less: Accumulated Amortization	(6,468)	-	-	(6,468)
<b>Total Other Assets</b>	<u>113,375</u>	<u>357,899</u>	<u>-</u>	<u>471,273</u>
<b>Total Assets</b>	<u>\$ 10,289,442</u>	<u>\$ 1,919,202</u>	<u>\$ (165,133)</u>	<u>\$12,043,511</u>

"See independent auditor's report and accompanying notes to financial statements"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
BALANCE SHEETS  
APRIL 30, 2014**

	Operating Fund	Restricted Fund	Eliminations	Total
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Current Liabilities</b>				
Accounts Payable and Accrued Expenses	\$ 177,709	\$ -	\$ -	\$ 177,709
Members' Assessments Collected in Advance	1,550,116	-	-	1,550,116
Due To/From Other Funds	165,133	-	(165,133)	-
Escrow Deposits	46,650	-	-	46,650
Lot Deposits	-	2,000	-	2,000
Current Portion of Capital Lease	1,097	-	-	1,097
Current Portion of Long Term Debt	-	325,691	-	325,691
<b>Total Current Liabilities</b>	<u>1,940,705</u>	<u>327,691</u>	<u>(165,133)</u>	<u>2,103,263</u>
<b>Long-Term Liabilities</b>				
Long Term Debt, net of Current Portion	-	3,555,768	-	3,555,768
<b>Total Long-Term Liabilities</b>	<u>-</u>	<u>3,555,768</u>	<u>-</u>	<u>3,555,768</u>
<b>Total Liabilities</b>	<u>1,940,705</u>	<u>3,883,459</u>	<u>(165,133)</u>	<u>5,659,031</u>
<b>Fund Balances</b>	<u>8,348,736</u>	<u>(1,964,257)</u>	<u>-</u>	<u>6,384,479</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 10,289,442</u>	<u>\$ 1,919,202</u>	<u>\$ (165,133)</u>	<u>\$ 12,043,511</u>

"See independent auditor's report and accompanying notes to financial statements"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
STATEMENTS OF REVENUES AND EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014**

	Operating Fund	Restricted Fund	Total
<b>Revenues</b>			
Membership Dues	\$ 2,090,242	\$ -	\$ 2,090,242
Capital Dues	-	189,970	189,970
Ski Assessment	-	316,951	316,951
Lodge Loan Assessment	-	181,128	181,128
Road Assessments	-	2,238	2,238
Westcolang Dam Assessments	-	1,382	1,382
Transfer Fees	-	113,638	113,638
Late Charges	64,537	-	64,537
Collection Fees	39,713	-	39,713
Advertising	18,825	-	18,825
Activity Income	14,240	-	14,240
Interest Income	1,493	4,079	5,572
Miscellaneous Income	125,962	-	125,962
Lot Sale Income	-	21,565	21,565
Skiing Revenue	-	182,326	182,326
Stable Revenue	19,939	-	19,939
Lodge Revenue	1,292,275	-	1,292,275
Fitness Revenue	5,034	-	5,034
Marketplace Sales	533,871	-	533,871
Permits	15,695	-	15,695
<b>Total Revenues</b>	<u>4,221,825</u>	<u>1,013,277</u>	<u>5,235,102</u>
<b>Expenses</b>			
Administrative Expenses	464,344	-	464,344
Maintenance	471,124	-	471,124
Recreation, Pool and Lake	272,213	-	272,213
Ski Slope	-	137,500	137,500
Stables	195,921	-	195,921
Lodge	1,330,445	-	1,330,445
Security	358,187	-	358,187
Marketplace	483,740	-	483,740
Road Project	193,918	16,570	210,488
Water and Sewer	11,829	-	11,829
Insurance	329,203	-	329,203
Professional Fees	44,503	-	44,503
Repairs and Replacement	-	581,765	581,765
Interest	459	199,433	199,892
Amortization	1,181	-	1,181
Depreciation	503,204	-	503,204
<b>Total Expenses</b>	<u>4,660,271</u>	<u>935,268</u>	<u>5,595,539</u>
Excess / (Deficiency) of Revenues over Expenses Before Interfund Transfers	<u>(438,445)</u>	<u>78,009</u>	<u>(360,437)</u>
Transfer Between Funds	<u>(15,841)</u>	<u>15,841</u>	<u>-</u>
Excess / (Deficiency) of Revenues over Expenses	<u>\$ (454,287)</u>	<u>\$ 93,850</u>	<u>\$ (360,437)</u>

"See independent auditor's report and accompanying notes to financial statements"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
STATEMENTS OF CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014**

	Operating Fund	Restricted Fund	Total
Fund Balances at Beginning of Year	\$ 8,803,023	\$ (2,058,107)	\$ 6,744,916
Excess (Deficiency) of Revenues over Expenses	(454,287)	93,850	(360,436)
Fund Balances at End of Year	\$ 8,348,736	\$ (1,964,257)	\$ 6,384,479

"See independent auditor's report and accompanying notes to financial statements"



**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED APRIL 30, 2014**

	Operating Fund	Restricted Fund	Total
Cash Flows from Operating Activities	\$ (454,287)	93,850	\$ (360,437)
Surplus / (Deficiency) of Revenues Over Expenses			
Adjustments to Reconcile Surplus / (Deficiency) of Revenues over Expenses to Net Cash provided by Operating Activities	504,385	-	504,385
Depreciation and Amortization	-	(21,565)	(21,565)
(Gain)/Loss on Sale of Asset	(30,131)	-	(30,131)
Change in Other Receivables	6,575	-	6,575
Change in Inventory	763	-	763
Change in Prepaid Expenses	99,615	-	99,615
Change in Accounts Payable and Accrued Expenses	(48,213)	-	(48,213)
Change in Members' Assessments Collected in Advance	-	-	-
Change in Miscellaneous Deferred Revenue	2,100	-	2,100
Change in Escrow Deposits	-	(5,300)	(5,300)
Change in Lot Deposits	97,389	(97,389)	-
Change in Due To/From	178,198	(30,404)	147,793
Net Cash provided by Operating Activities	<u>178,198</u>	<u>(30,404)</u>	<u>147,793</u>
Cash Flows from Investing Activities	-	24,056	24,056
Proceeds from Sale of Assets	-	(204,391)	(204,391)
Purchase of Fixed Assets	-	(180,335)	(180,335)
Net Cash Used in Investing Activities	<u>-</u>	<u>(180,335)</u>	<u>(180,335)</u>
Cash Flows from Financing Activities	-	(908,224)	(908,224)
Debt Reduction	-	245,048	245,048
Debt Proceeds	(204,088)	204,088	-
Transfers Between Funds	(1,472)	-	(1,472)
Lease Reduction	(205,560)	(459,088)	(664,648)
Net Cash provided (Used) by Financing Activities	<u>(27,362)</u>	<u>(669,827)</u>	<u>(697,189)</u>
Net Increase (Decrease) in Cash	<u>2,022,199</u>	<u>2,290,685</u>	<u>4,312,884</u>
Cash at beginning of Year	<u>\$ 1,994,837</u>	<u>\$ 1,620,858</u>	<u>\$ 3,615,695</u>
Cash at end of Year	<u>\$ 1,921,298</u>	<u>\$ -</u>	<u>\$ 1,921,298</u>
Cash Consist of:			
Cash	19,076	-	19,076
Cash-Lottery Account	52,864	-	52,864
Cash - Renters Deposits	1,600	-	1,600
Cash - Escrow Deposits			
Cash and Cash Equivalents - Restricted for Future Repairs and Replacement	-	731,854	731,854
Cash-Restricted for Ski Loan	-	317,880	317,880
Cash-Restricted for Lodge Loan Repayment	-	133,999	133,999
Cash-Restricted for Road Repair	-	79,226	79,226
Certificates of Deposit	-	357,899	357,899
	<u>\$ 1,994,838</u>	<u>\$ 1,620,858</u>	<u>\$ 3,615,696</u>
Supplemental Disclosure			
Cash Paid During the Year for:			
Interest	\$ -	\$ 199,892	\$ 199,892
Income Taxes	\$ -	\$ -	\$ -

"See independent auditor's report and accompanying notes to financial statements"

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NATURE OF OPERATIONS**

The Masthope Mountain Community Property Owners Council, located in Lackawaxen, Pennsylvania, was organized on December 19, 1977 as a non-profit corporation under the law of the Commonwealth of Pennsylvania. The purpose of the Council is to oversee the interests of the property owners in this development and, if necessary, to manage the operations of the development. The Council became responsible for daily operations on January 1, 1988. There are approximately 2,300 lots in the development located in Lackwaxen Township.

**FUND ACCOUNTING**

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

**Operating Fund**- This fund is used to account for financial resources available for the general operations of the Association.

**Restricted Fund**- This fund is used to accumulate financial recourses designed for future major repairs and replacements. Also, this fund includes funds that are restricted to pay the lodge and ski loans. The funds collected for road repairs are also included in the restricted fund.

**BASIS OF ACCOUNTING**

The books and records are maintained on the accrual method of accounting however dues income for the current and prior years is recorded when received and not when billed. Dues collected in the current year which are in payment of the subsequent year's assessment are reflected on the balance sheet as a liability and are reflected as members assessments collected in advance.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

**MEMBER DUES**

Association members are subject to annual assessments, payable on May 1<sup>st</sup> of each year, to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. The association retains any excess assessments at year-end for use in future years.

**INVENTORIES**

Inventories are stated at the lower of cost (first-in, first-out method) or market. The inventory as of April 30, 2014 consists of the following:

Lots	\$133,213
Marketplace Inventory	15,452
Summit Restaurant	
Inventory	<u>26,277</u>
Total Inventory	<u>\$174,942</u>

**PROPERTY, PLANT AND EQUIPMENT**

The Association capitalizes all property, plant and equipment to which it has title or other evidence of ownership. Property, plant and equipment acquired by the Association are recorded at cost.

Property, plant and equipment are depreciated over their estimated useful lives using straight-line and accelerated methods of depreciation. Depreciation expense for the year ended April 30, 2014 was \$503,204.

**COMMON PROPERTY**

Common property recognized as assets in these financial statements includes the clubhouses, pools, tennis areas, other amenities, and the roads and common areas located within the development.

Although the Association is responsible for the repair and replacement of the common real property, it is unable to sell or otherwise dispose of this property.

**RESERVE FOR FUTURE REPAIRS AND REPLACEMENTS**

The Association's governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds, which aggregate \$1,089,753 at April 30, 2014, are held in separate accounts and are generally not available for operating purposes.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**INTEREST INCOME**

Interest income is allocated to the operating and reserve funds in proportion to the interest-bearing deposits of each fund.

**INCOME TAXES**

The Association may elect annually to file its federal tax return as homeowners' association under Section 528 or as a regular corporation under Section 277. For the fiscal year ending April 30, 2014 the Association filed as a Homeowner's Association using the federal form 1120.

The Association's tax filings are subject to audit by various taxing authorities. The Association's federal income tax returns for 2013, 2012, and 2011 remain open to examination by the Internal Revenue Service. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

**ADVERTISING**

Advertising costs are charged to operations when incurred and amounted to \$6,488 for the fiscal year.

**INTEREST EXPENSE**

For the fiscal year ended of April 30, 2014, the association incurred and charged \$199,892 to interest expense.

**STATEMENT OF CASH FLOWS**

For purposes of the statement of cash flow, cash equivalents include investments in highly liquid debt instruments purchased with original maturities of three months or less.

**DATE OF MANAGEMENT'S REVIEW**

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through July 7, 2014, the date that the financial statements were available to be issued.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

**2. DUES RECEIVABLE**

The dues receivable are reserved 100% as detailed historical data necessary to project the collection rate has not been calculated by the Association. Although legal steps are being taken to collect these funds, the Association is unable to determine their collectability with a sufficient degree of accuracy.

**3. PROPERTY, PLANT AND EQUIPMENT**

The Association capitalizes all property, plant and equipment to which it has title or other evidence of ownership at cost. Major additions and improvements are capitalized, while replacements, maintenance, and repairs, which do not extend the life of the respective assets, are expensed. Depreciation is provided utilizing accelerated methods over periods of time believed to approximate estimated service lives of five to thirty-nine and a half years.

**4. AMORTIZATION COSTS**

Amortization costs are amortized using a straight-line depreciation method.

**5. CONCENTRATIONS OF CREDIT RISK**

The Association's members are primarily from Northeastern Pennsylvania, New Jersey, and New York. The ability of these members to honor their obligations to the Association is dependent on the economy of the region.

The Association maintains its cash balances of \$3,662,378 as of April 30, 2014 at three financial institutions. Of the \$3,662,378 there is \$357,899 held at various banks through the CDARS program with Dime Bank. Accounts at each institution are secured by the Federal Deposit Insurance Corporation up to \$250,000. The CDARS program is fully insured. Uninsured balances amounted to \$2,732,989 at April 30, 2014.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED APRIL 30, 2014

**6. LONG-TERM DEBT**

Notes payable consist of the following as of April 30, 2014:

Dime Bank, Lodge 4.81% interest rate through September 23, 2015 and then the rate will adjust to the New York Prime rate adjusting annually, payable in monthly installments of \$12,068; maturing March 23, 2027.	\$905,827
Dime Bank, Ski Loan, 4.81% interest rate through October 29, 2018 and then a fixed rate will be negotiated for the remaining (5) five years of the loan term, monthly installments of \$29,968; maturing October 29, 2023	2,210,473
Wayne Bank-Backhoe- 4.25% interest. Monthly principal and interest payments of \$1,004 until the balance is paid in full.	34,733
Wayne Bank-Beach Project- 4.75% interest Non-revolving Draw Down Line of Credit Due January 2029, monthly interest payments until February 2014. Monthly principal and interest payments of \$7,032 until the balance is paid in full.	<u>730,426</u>
Total Debt	<u>3,881,459</u>
Less Current Portion	<u>(325,691)</u>
Total Long Term Portion	<u>\$3,555,768</u>

Maturities of long-term debt as of April 30, 2014 are as follows:

2015	325,691
2016	345,632
2017	366,811
2018	378,015
2019	400,423
Thereafter	2,064,887
	<u>3,881,459</u>

Accounts Receivable, member dues, contract rights, property owner assessments, equipment, furniture and fixtures, inventory, general intangibles, licenses, real property, and all other property utilized by the Masthope Rapids Property Owners Council's operation are collateral for all the above mentioned loans.

MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS COUNCIL  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED APRIL 30, 2014

**7. LITIGATION, CLAIMS AND ASSESSMENTS**

In the normal course of business, the Association may periodically be named as a defendant in litigation. The Association's management, supported by legal counsel, believes that there are no material litigation matters that could result in a financial verdict against the Association at the current time.

**8. OPERATING LEASES**

The Association has a lease that is an operating lease for the following:

<u>Lease</u>	<u>Term</u>	<u>Payment</u>	<u>Future Minimum Lease Payment</u>
Horses	2014/2015	\$3,250/year	\$3,250

**9. CAPITAL LEASES**

The Association has one lease for two ATM machines, which is classified as a capital lease. This lease is a 36 month lease, direct to end user with a buyout at the end of the lease in the amount of \$1.00.

Future minimum lease payments are as follows:

<u>Fiscal Year</u>	
2014/2015	<u>1,097</u>
Net Minimum Lease Payments	<u>\$1,097</u>

Depreciation expense related to the capital lease is included with depreciation expense related to owned assets. The total depreciation expense for the capital lease as of April 30, 2014 is \$918.

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY  
OWNERS COUNCIL**

Supplementary Information

For the fiscal year ended April 30, 2014



**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
 SCHEDULE OF DEPARTMENTAL EXPENSES  
 FOR THE FISCAL YEAR ENDED APRIL 30, 2014**

Administrative	
Salaries	\$ 266,935
Payroll Taxes	17,216
Office Supplies and Expenses	43,569
Telephone & Fax	5,315
Printing & Newsletter Expense	10,214
Dues and Subscriptions	70
Computer Support and Training	14,225
Payroll Service	17,515
Membership	3,794
Advertising	1,607
Utilities	11,411
Collection Costs	10,023
Bank Charges	8,686
Meetings and Hospitality	17,127
Postage	14,088
Property Taxes	18,785
Website	768
Miscellaneous	2,996
Total Administrative Expenses	<u>\$ 464,344</u>

Maintenance	
Salaries	\$ 199,494
Payroll Taxes	24,004
Supplies	7,734
Repairs and Maintenance Buildings	6,719
Fuel	34,223
Snow Removal	60,746
Refuse Removal	86,435
Small Tools	4,241
Landscaping	6,000
Road and 911 Signs	1,378
Radio Repairs and Maintenance	442
Uniforms	706
Vehicle Repairs	26,573
Utilities	12,429
Total Maintenance Expenses	<u>\$ 471,124</u>

"See independent auditor's report on supplementary information"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
 SCHEDULE OF DEPARTMENTAL EXPENSES  
 FOR THE FISCAL YEAR ENDED APRIL 30, 2014**

Recreation, Pool and Lake	
Salaries	\$ 154,642
Payroll Taxes	23,810
Pool Chemicals	8,660
Supplies	4,592
Activities Expense	20,240
Repairs and Maintenance Lake & Pool	20,089
Uniforms	280
Telephone	3,226
Trips/Events	3,530
Certifications	1,320
Utilities	4,918
Permits	1,132
Amenities Expense	2,336
Beach House	20,833
Fitness Center Repair & Maintenance	2,605
Total Recreation, Pool and Lake Expenses	<u>\$ 272,213</u>
Ski Slope	
Management Fee	<u>\$ 137,500</u>
Total Ski Slope Expenses	<u>\$ 137,500</u>
Stables	
Salaries	\$ 97,284
Payroll Taxes	12,761
Boarding	39,930
Lease Care Maintenance	20,831
Utilities	6,233
Tack and Supplies	8,807
Repair and Maintenance	5,438
Land Management	1,143
Vehicle Maintenance	244
Horse Lease	3,250
Total Stables Expenses	<u>\$ 195,921</u>

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
SCHEDULE OF DEPARTMENTAL EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014**

Lodge		
Purchases		\$ 504,391
Salaries		431,143
Payroll Taxes		72,415
Supplies		72,431
Entertainment		6,250
Repairs and Maintenance		50,578
Uniforms		6,882
Utilities		132,733
Miscellaneous		8,835
Linen		5,525
Credit Card Fees		22,118
Licenses & Fees		1,686
Advertising		4,881
Waste Disposal		3,121
Special Events		7,456
Total Lodge Expenses		<u>\$ 1,330,445</u>
Security		
Salaries		\$ 270,485
Payroll Taxes		31,094
Supplies		7,079
Repairs and Maintenance		40,772
Telephone		2,279
Uniforms		3,665
Training		2,813
Total Security Expenses		<u>\$ 358,187</u>

"See independent auditor's report on supplementary information"

**MASTHOPE MOUNTAIN COMMUNITY PROPERTY OWNERS' COUNCIL  
SCHEDULE OF DEPARTMENTAL EXPENSES  
FOR THE FISCAL YEAR ENDED APRIL 30, 2014**

Marketplace	
Purchases	\$ 311,295
Salaries	77,319
Payroll Taxes	8,422
Supplies	4,602
Computer Expense	1,435
Repairs and Maintenance	3,720
Utilities	14,079
Lottery	56,809
Credit Card Fees	6,059
Total Marketplace Expenses	<u>\$ 483,740</u>
Major Repairs and Replacement Expenses	\$ 24,091
Lot Sale Expense	450
D.E.P. Drainage Project	49,409
Sports field Improvements	371,014
Repairs and Maintenance	21,135
River park	35
Bank Charges	115,631
Beach Improvements	<u>\$ 581,765</u>
Total Major Repairs and Replacements Expenses	