

**Masthope Mountain Community
Board of Directors Meeting
December 27, 2014**

Transcriber: Donna O'Grady
Beach House

8:37AM Meeting called to order and Pledge of Allegiance

Roll Call:

Present – Dan Clark, Ed McClary, Foster McCoy, Michele Torre, Steve Stern, Fred Suljic, Paul Bakos, Cynthia Wyatt, Bruno deVinck, Peter Torchio, and Joe Kosiba.

Approval of Agenda – Agenda approved as amended.

Paul Bakos added under New Business an article from the Upper Delaware and NPS.

Joe Kosiba asked if the outside television could be talked about under Old Business. J. Kosiba said the Board never made a decision after Randy Schmalzle came back with the information requested. Steve Stern put the issue under Old Business

Steve Stern asked for the Approval of November 22, 2014 Minutes. Minutes unanimously approved.

Steve Stern requested Dan Clark give the Correspondence Report. Dan Clark stated the Board received a letter from a property owner regarding the \$25.00 Gift Voucher they received from the Summit Restaurant concerning the Halloween Party. The property owner returned the Gift Voucher and stated they had a wonderful time and received a great value for the ticket price. Another property owner sent a request to lengthen the boat dock. The property owner said the size dock we now have is dangerous when unloading their boat.

Foster McCoy gave the Treasurers Report.

Treasurer's Report – November 2014 – Foster McCoy

Treasurer's Report---November 2014

Collections

Nov.-13

Unaudited

Nov.-14

Total

2,083

2,071

Billable

1,783

1,771

Paid in Full

1,546 - 87%

1,559 - 88%

Unrestricted Income and Expense-YTD

Oct.-YTD

Nov.-YTD

Revs. to Date	\$3,104,775	\$3,216,759
Exp. to Date	2,318,998	2,563,283
Net Surplus (Deficit)	785,777	653,476
<u>The Summit</u>		
Rev. to Date	594,753	657,403
Exp. To Date	621,330	698,066
Net Surplus (Deficit)	(26,577)	(40,663)
<u>The Market Place</u>		
Rev. to Date	272,582	305,197
Exp. To Date	228,072	291,697
Net Surplus (Deficit)	12,570	13,500
<u>Summit/Market Net Surplus(Deficit)</u>		
	(14,007)	(27,163)

Treasurer's Report Approved.

Steve Stern called for Committee Reports.

- a. Ski & ATV – *Sheldon Langer stated there is nothing to report regarding the ATV class. S. Langer said Thundercloud is not open, but the slopes that are open are good.*
- b. Real Estate – *Dan Clark said the motion will take care of the Real Estate Committee report. Peter Torchio recognized that Rita Fisher, a member of the Real Estate Committee passed away.*
- c. Audit – *Dan Clark stated the Board of Directors is still looking for new members for this committee. Diane Braver said she would remain on the committee. Dan requested Diane Braver submit in writing that she will stay on the Audit Committee.*
- d. Strategic Plan Committee – *Paul Bakos – P. Bakos said due to conflicts in his schedule December's meeting had to be postponed until January. Will be doing a yearly review on what has been completed and what is coming up.*
- e. ECC – *Peter Torchio stated we have hired a new ECC Officer. Russ Longo has been working to bring him up to speed. ECC will meet after the holidays.*
- f. Westcolang Lake – *The meeting will be the 3rd Sunday in January.*
- g. Document Committee – *Carl Harrison said the committee is in the process of reviewing the Rules and Regulations.*
- h. Fire Prevention – *Jim Fox said the "Smokey the Bear" sign is not on property yet.*

Steve Stern requested the President's Report – Dan Clark said he has nothing to report.

Management Team Report – Randy Schmalzle

Randy Schmalzle absent; John Castellano reported.

Projects:

- Otteson – No response
- Water Main – Constitution, Upper and Lower Independence – Project is complete, waiting for final pave.
- Snow Making Project – Only minor items left.
- Ski Validation – Available at the ski office.

- Storm Water Repair – Some work has been completed, balance will be completed when Aqua is done on Constitution
 - Emergency access to Falling Waters – Work continues
- Public Safety -
- First aid training continues
 - Winter staff is on line
- Maintenance -
- Lodge roof – 90% complete
 - Roadside cutting will continue as weather permits
 - Office remodel completed
 - Full staff is on board for the winter season
- Administration –
- Ron Tussel has started as new ECC officer; Russ has been working with him to bring him up to speed
- Summit –
- Winter is underway, all systems are in place

John Castellano asked if there are any question regarding the report submitted by Randy Schmalzle.

Fred Suljic asked if the ski maintenance house has been fully restored since the fire.

John Castellano said yes, everything has been taken care of.

John Castellano reported that the money is there for the culvert project on Falling Waters. Fred Suljic said a one-lane bridge has to be built before the project begins.

Michele Torre asked about having the bar in the property owners lounge open on weekends only.

John Castellano said expect slower growth and tighter budgets in the upcoming years. It is difficult to plan beyond two or three years.

John Castellano gave a brief history of Masthope Mountain Community.

Bruno deVinck asked about the fire in the ski pump house.

Fred Suljic explained how the Fit5 works and commended Randy Schmalzle for his quick action the morning of the fire.

Old Business:

a. Sign

After a discussion the Board of Directors decided the TV monitor is a no-go for now and it will be reassessed in the spring. It was decided to hang a holder and put hard copies of the weekly messages between the Market Place and POC to see how that works.

New Business:

- a. Validate motion for freezer
- b. Motion from Real Estate Committee
- c. Article from Upper Delaware and NPS

MOTION: 01:12:27:14

Whereas one of the original freezers from when the Summit was operating in the ski building in 2005 has reached the end of a sustainable life, needing a new compressor, new door seal, and a hole inside the door, the Summit management is requesting approval to order a new freezer with the funds coming from the capital reserve funds allocated by the community for the Summit with additional approval coming from Masthope Board of Directors.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the expenditure of \$1,351.25 (includes tax) for the purchase of a replacement freezer for the Summit Restaurant plus any applicable delivery charges. Funds to be taken from the Food and Beverage annual reserve fund by the community.

Maker: Dan Clark
Second: Ed McClary

Motion passed unanimously.

MOTION: 02:12:27:14

Whereas an electronic motion was made on 22 December 2014 to allow the Summit Restaurant to purchase a freezer in time for the beginning of the ski season.

Therefore be it resolved that the Masthope Mountain Community Board of Directors affirms the vote taken by the electronic motion.

Maker: Dan Clark
Second: Foster McCoy
Motion passes unanimously

MOTION: 03:12:27:14

Whereas the Masthope Board of Directors previously had put a moratorium on the sale of all Masthope owned properties, the real estate committee has requested the Masthope Board of Directors amend the prior motion to exclude the sale of adjacent lots to current members for the sole purchase of adjoining the purchased lot with an existing lot owned by the member.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves modifying the existing moratorium on the sale of Masthope owned lots to exclude the sale of lots to adjacent lot property owners for the sole purpose of adjoining to existing owned lot. The Real Estate Committee will review request for purchase of adjacent and ensure requestor meets requirements for such purchase. This includes ensuring they are a member in good standing, they receive a formal package explaining the process and coordinating with the office staff regarding the payment and processing of paperwork.

This resolution does preclude the Masthope Board of Directors from taking any action as they deem in the best interest of the community without approval from the Real Estate Committee.

After the board had a brief discussion this motion made was discounted and the correct motion reads as follows:

MOTION: 04:12:27:14

Whereas the Masthope Board of Directors previously had put a moratorium on the sale of all Masthope owned properties, the real estate committee has request the Masthope Board of Directors amend the prior motion to exclude the sale of adjacent lots to current members for the sole purpose of adjoining the purchased lot with an existing lot owned by the member.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves modifying the existing moratorium on the sale of Masthope owned lots to exclude the sale of lots to adjacent lot property owners for the sole purpose of adjoining to existing owned lot. The Real Estate Committee will review request for purchase of adjacent and ensure requestor meets requirements for such purchase. This includes ensuring they are a member in good standing, they receive a formal package explaining the process and coordinating with the office staff regarding the payment and processing of paperwork.

This resolution does not preclude the Masthope Board of Directors from taking any action as they deem in the best interest of the community.

Maker: Dan Clark
Second: Peter Torchio
Motion passes unanimously

Paul Bakos informed the Board of Directors about an article in the News Eagle on December 18, 2014. The article written by Mr. Becker and in the second part of the article it alludes to Masthope owning the sewage plant when in fact Aqua owns the plant. Paul Bakos read the article to the Board of Directors.

Fred Suljic said Randy Schmalzle should contact Jim Dolan to discuss this matter. Fred Suljic further stated that the Upper Delaware Council does not have jurisdiction over Masthope.

The Board of Directors decided this is Aqua's problem not Masthope's. Paul Bakos said this should go to Attorney Klemeyer for a response. Fred Suljic agreed with Paul Bakos. The Board of Directors decided to take a pro-active approach and contact Attorney Klemeyer.

Fred Suljic talked about the issue at the Lackawaxen Township. Fred Suljic stated someone has to be held accountable for that.

The Board of Directors stated their concerns over this issue.

Steve Stern stated that beginning January 2015 the Agendas will state the time the meetings begin and no other times will be listed. The entire Board of Directors agreed.

Property Owners Time – 9:37AM

Steve Stern – 940MR – S. Stern discussed the situation at the Township. S. Stern addressed the letter he wrote to the Lackawaxen Township.

Diane Braver – 328FW - D. Braver asked who do we have currently bonded and if we do have someone what does the bond entail for Masthope and do we do an end to end audit so years from now we do not have this same problem.

Dan Clark responded – Bill Owens is the auditor that the community approves every July. Bill Owens is bonded and is a recognized CPA. Mr. Owens does an audit every year according to AICPA Rules and Regulations.

John Castellano stated the procedure is as follows:

The department manager writes and signs the purchase order.

John Castellano initials the check request after the check is written.

Two (2) board members must then sign the check.

Bill Owens does a spot audit every year.

John Castellano said we will definitely check with Bill Owens to see if that is enough and if we should bond.

Dan Clark further explained the procedure regarding reports that Foster McCoy, as Treasurer, checks every month.

John Grandy – 6CM – Expressed his concern over the news article that Paul Bakos addressed. J. Grandy stated we should follow-up with our attorney.

John Grandy suggested the Monday Shout-Out, only one page, should be put outside between the Office and Market Place. The Board of Directors agreed with Mr. Grandy and decided it would only be a summary of events or a copy of the Monday Shout-Out.

Nancy Mawhinney – 328FW -The Audit Committee was reduced to specific accounts and the Committee did not feel this was just.

John Castellano and Dan Clark said the Documents Committee would immediately look into that.

Harold Mawhinney – 667MR – H. Mawhinney asked Dan Clark for an update on the milfoil in the lake.

Dan Clark explained the problem of milfoil in Westcolang Lake and said it will never go away, it just has to be managed.

Dan Clark invited all property owners to the Westcolang Lake meeting the third Sunday of January. Dan Clark stated milfoil is not in Fawn Lake, but it is in Westcolang.

John Grandy – 6CM – J. Grandy asked if the Lake Association is doing anything.

Dan Clark stated that the Lake Association isn't doing anything. Dan Clark further explained milfoil in Westcolang. We do spray, Fawn Lake Association sprays, but these are limited areas. Dan Clark stated we definitely do have a problem.

Steve Stern - the Property Owners Time has ended.

Meeting adjourned 10:26AM.

