

**Masthope Mountain Community
Board of Directors Meeting
November 25, 2017**

Transcriber: Kelli Myers
Beach House

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

Roll Call: Present –Foster McCoy, Bruno DeVinck, Dan Clark, Ed McClary, Michele Torre, James Graziano, Peter Torchio, Jim Fox, Eugene Principe, Gerhard Buhler and Richard Neidkowski.

Foster asked for approval of the agenda. Agenda approved unanimously.

Foster asked for the Approval of the Minutes from the October 28, 2017 Board of Directors Meeting.
The Minutes were approved unanimously.

Treasurer's Report- for period ending October 31, 2017. Gerhard Buhler-see attached.
Treasurer's Report was approved unanimously.

Correspondence Report- Dan Clark-Received correspondence from Mike Seyfried. It will be addressed in the next Board Meeting under Old Business. The letter was just received. Rose Perrotti and Susan Schwartz sent an email questioning the amendment to the Covenants in regard to the culvert. Dan spoke with Attorney Klemeyer. He stated that it is a state requirement to up keep the roads, culverts included. This question is also forwarded to Alan Young and Management is awaiting a response.

Foster called for Committee Reports

- a. Ski & ATV-Sheldon Langer-ATV is quiet. He does get at least one call a week about the training class. The Ski Swap was a big success. Next year's Ski Swap will be November 17th and 18th. Bruno explained how he saw 4 ATV's coming out of River Park. He thought it was illegal to operate ATV's on main roads. It was stated that it is illegal however it is not for us to enforce.
- b. Audit-Maria Porter-Nothing to report.
- c. Strategic Plan-Vickie Graziano-Nothing to report.
- d. ECC-see attached
- e. Westcolang Lake Association- Dan Clark-The next meeting will be Sunday, January 21st.
- f. Documents-Nothing to report.
- g. Fire Prevention-Jim Fox-Things are quiet. Leaves are down. We have not had much rain. He is still waiting to hear from Bill Dehling.
- h. Beautification-Leatrice Langer-Nothing to report.

President's Report-Dan Clark-It is quiet on the mountain. There was a decent turnout for bingo Friday night. The new bingo board along with the use of a tv is state of the art.

Manager's Report-Ron Schmalzle-see attached.

Old Business:

Reserve Plan-Gerhard Buhler-The Reserve Plan was approved last meeting. He has been working with Patrice in bookkeeping. They are going to set up separate bank accounts for the Capital lines: RCA, MAR and Food and Beverage. It will make it clear what amount money is in each. He also met with the Audit Committee. They will assist and review the asset list that Randy and Gerhard created. Bill Owens contributed to the study and the asset list as Randy and Gerhard were working on it. The Committee will break down the list to differentiate the larger assets from the smaller assets.

New Business:

ECC Handbook-There are three proposed motions for the Board to review. See attached.

The first one addressed is that no item may be attached to trees. James asked is it to preserve the character of the Community or is it to save the trees? Peter responded that both are the objectives to the motion. Discussion ensued about attachments to trees. Motion tabled until next meeting. The language is to be clearer.

Temporary portable storage discussion addressed the length of time permitted, placement and number of units permitted. The Board was in agreement that there should be wording for an extension. Tabled until next Board Meeting.

Solar Panels-The Board was in agreement with the proposed motion.

Foster addressed the improved lot issue that was brought before the Board via email. A property owner received a building permit in 2006. They have been billed an improved rate for each year following but never built a house. The owner would like a refund. The Board discussed when does the lot become improved. It was clarified that it is improved when a building permit is issued. Some members feel that it should be at the time of the certificate of occupancy. Ed stated that as its being built it is not improved. The building permit expires in a year. James asks, if a property owner applies for a building permit after paying their unimproved dues are they billed for the additional dues of an improved rate? Kelli answered that they are billed for the improved amount on a prorated basis. Foster stated that the proration could begin at the time of CO. Kelli stated that the office does not receive the CO. The Board asked if there is a final inspection done by ECC. Peter answered yes there is one done now. James stated that there has not been an issue until this one time and that the opposite is more likely to occur if procedure is changed. Ron Schmalzle stated it does not matter when the property owner is charged the improve rate, whether it is at the time of building permit or CO. Michele would like to add a line to the handbook that states that you will be charged the improved rate at the time of building permit is issued. If construction does not take place, it is the owners responsibility to notify the office. Michele would like nonrefundable added to the line also. The Board decided to refund the property owner all but the first year's prorated dues. Michele composed the motion and Kelli will insert the lot number into the motion.

Peter reads the correspondence regarding propane tanks. Foster explains that our current rules limit property owners to 2 100-gallon tanks above ground. A property owner wants a third above ground tank. The property owner would like to be granted a variance and have a 280-gallon tank along with his 2 100-gallon tanks. Ed explained that propane tank regulations were addressed in the past. The Board discussed a submarine tank, size and shape. Jim explained that he spoke to Ron Tussel and he felt that there is no reason that this property owner could not bury a tank. James proceeded to ask if his other tanks are up against his house. The answer is yes, so he continued that a third won't make it any uglier or prettier. Ed continued that if it can be buried it should be buried. Eugene thinks that the rule should be changed. James asked if it visible from the road. Yes, was the answer. Gerhard would like to see what the 280-gallon tank looks like and would like more information regarding this tank. Foster asks what does the Board want to do for this guy? Ron Schmalzle stated that he thinks the easiest solution would be to grant the property owner a variance for a third tank. Ed added that they should grant him a variance for a third 100-gallon tank. Michele asked who should grant the variance, the Board or ECC? Ed responded ECC should grant the variance. Jim remarked that the Board is off the hook. Foster asked the Board who is in favor of granting a variance. Dan interrupted and quoted the tank storage section from the handbook. Ed stated that the 280-gallon tank cannot be buried. He feels that ECC should grant the owner a variance for an additional 100-gallon tank, so it will solve his problem.

Budget Committee-Gerhard explained that it has been advertised that the Committee was looking for an additional member. There has been one new applicant for the Committee. The Committee also needs a member from management. Ron Schmalzle volunteered himself. Jim asks Michele about the follow-up list? Michele answered that the follow up list is what they have been addressing in Old Business and New Business. Foster added that when he is creating his agenda, Michele informs him what needs to be addressed in the next meeting.

Property Owners' Time:

Maria Porter 292FW-In regard to the refund to the property owner, she questions how the calculation should be done. She feels it should be prorated in 2007 and then the full amount. Dan argued that we are talking about possibly one month of prorated dues.

Frank Tavella 849FW-His UTV used to be able to run on the ATV trails however now he cannot get it onto the trails since some rocks have been moved. He feels that the UTV should now be classified as a golf cart since it cannot be driven on the trails. Dan explained that the rocks were moved to prevent vehicles from getting back on the trails. Ed asked is there a way to stagger the rocks to allow the UTVs access to the trails. Michele added that we need better enforcement to keep vehicles from the trails. Sheldon stated that the trails are designed for class1 ATVS, not class2 UTVS. He continued that you cannot run class2S on state trails either. James questions why would we allow class2S on the trails if it is designed for class1S? Why would we allow the class2's in the community? The reason we allow ATVS/UTVs on the road is to get to the trails.

Bill Chillianis 204MR-He has 2 side by sides and has the same issue as Frank Tavella. He disagrees with James and the idea that the reason ATVS are permitted on the roads is to get to the trails. He continues that if that was the reason, why would there be parking areas at the beach and lodge for ATVs? He feels that they were meant to be a means of transportation for members in the community. ATVs were a big reason why he purchased his home in this community. A year ago, he asked if the ATV Committee could meet and was turned down. He

is asking to meet again to review the current rules and regulations. Ed explained that they did that 2 years ago. There were 2 townhall meetings and handouts. The rules were changed with the intention of keeping children safe by not allowing them to operate ATVs without an adult. James interjected that the community would not have allowed ATVs if it did not have trails. They would not be permitted to be used solely as a means of transportation. An insurance company would not insure a community if there were not off-road trails. He was behind him with opening the trails for his access. Bill stated that he felt ignored when he requested for the ATV Committee to meet last year. James argued that his request was not ignored but the Committee had just revised the rules and regulations. He complimented Ed on all of his hard work and time that he put into the Committee. Ed advised him to send a letter to the office with all his concerns and it will get forwarded to him. Bill explains that he does not want to send a letter and there are many others that share in his concerns. Ed and James explained that they cannot keep addressing the same issues every year. Michele suggests that Bill get a list of names and signatures of individuals that share his concerns.

Mary Appuzzo 919CF-She likes ATVs but acknowledges that they are getting bigger and more dangerous just like the boats. Bruno explains that we have an ATV committee and suggests to Bill to get his group together and meet with Sheldon. Michele does agree that there are new concerns out there in regard to ATVs and it should be readdressed. Ron Schmalzle stated that we are a unique community. He will get the rocks moved so the UTVs can get back to the trails. Sheldon argued that the trails are too narrow and designed for Class1 ATVs. Ron stated that this could be a temporary solution for Class2S.

Mike Weisbord 457MR-Agrees with Sheldon, that the trail is designed for Class1. Ron stated that yes, it is designed for Class1 but Class2s have been all over the trails. Michele asked do we need to widen the trail or does the terrain need to change? Sheldon answered both. Michele adds that since we have class1 and class2 vehicles, we need to have trails for both.

Paul Moira 643MR-They are not asking for trails for the UTVs but to have it reclassified as a golfcart for transportation around the community. The UTVs are not built for the trails but more to trailer watercraft to the beach, etc. James stated that they want to meet to increase the number of ATVs/UTVs and that concern was addressed last year. They just did not like the outcome. Ed reiterated Paul's request to reclass the Class2's then it would not count against the number of ATVs. That would allow a property owner to own 6 vehicles. James added that if a meeting were to take place, the rules could become stricter.

Bill Chillainis -He is not going against safety. They follow the rules but would like to see the reclassification of UTVs.

Mike Seyfried 157MR-If class2S cannot use the trails they should be banned from the community. James thanks Mike for proving his point, that some members will want stricter rules and regulations.

Mary Appuzzo-Parents are not supervising their kids on ATVS/UTVs.

MOTION 01:11:25:17

Whereas the rules and regulations have been updated for language, repetition and clarification.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the updated policy regarding solar panels as presented by the ECC on 11/3/17.

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

MOTION 02:11:25:17

Whereas property owner filed for a building permit, but never built a home.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the reimbursement of \$2,200 to property owner Sanchirico, at lot # 810MR for overpayment of dues for an unimproved lot that was charged as an improved lot.

**FIRST: FOSTER MCCOY
SECOND: DAN CLARK
MOTION PASSES: FOR 11, AGAINST 0**

MOTION 03:11:25:17

Whereas the Budget Committee is forming to create this year's budget

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves Sal Tortora, Tom Carasiti, Stacy Bogdanski, Dan Clark, Foster McCoy, Gerhard Buhler and Ron Schmalzle.

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

Meeting Adjourned 9:51am.
Executive Session began 10:00am.
Executive Session ended 11:15am.
Meeting Adjourned 11:16am.

Treasurer's Report for Period Ending October 31, 2017

Unaudited

Collections - YTD

	Oct 16	Sep 17	Oct 17
Total	2056	2046	2046
Billable	1757	1746	1746
Paid in Full	1556	1447	1565
Percent	88.6%	82.9%	89.6%
Outstanding	201	299	181
Total Bad Debt Lots	53	53	53

Unrestricted Income and Expense - YTD

	Oct 16 YTD	Sep 17 YTD	Oct 17 YTD
Revenues to date	\$2,442,656	\$2,413,555	\$2,450,701
Expenses to date	\$1,451,666	\$1,371,346	\$1,543,070
Net Surplus (deficit)	\$990,990	\$1,042,209	\$907,631
Margin (Net/Revenue)	40.6%	43.2%	37.0%

The Summit - YTD

Revenues to date	\$693,193	\$678,828	\$744,981
Expenses to date	\$665,978	\$656,860	\$744,920
Net Surplus (deficit)	\$27,215	\$21,968	\$62

The Market Place - YTD

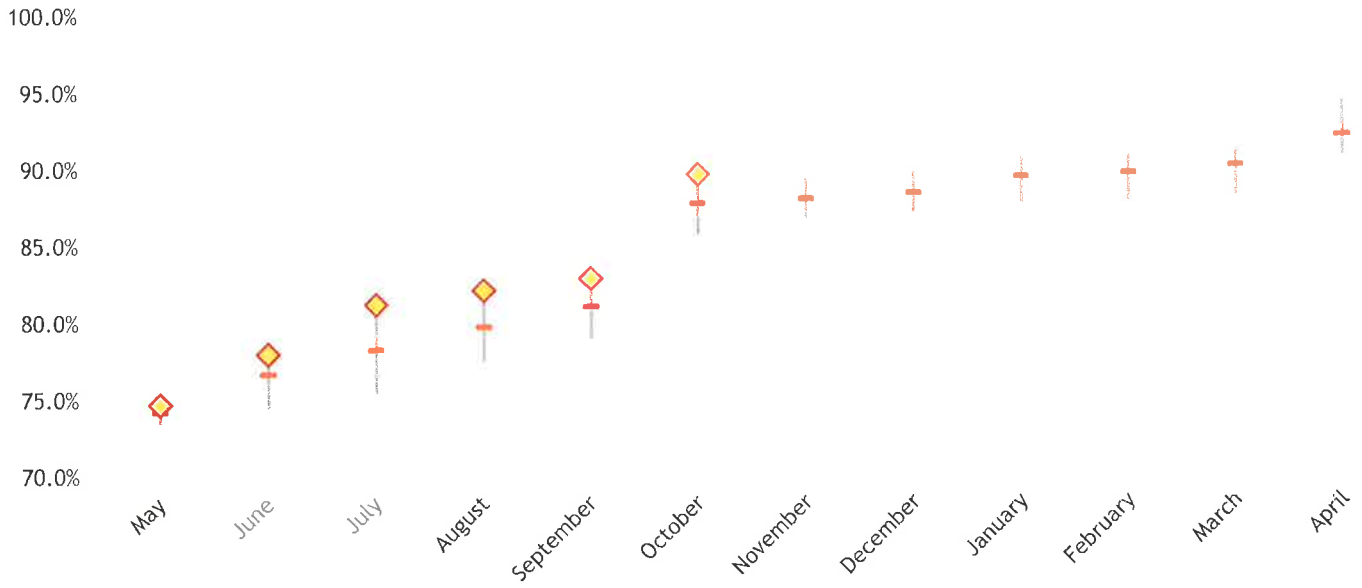
Revenues to date	\$235,047	\$236,073	\$266,724
Expenses to date	\$222,434	\$227,211	\$262,070
Net Surplus (deficit)	\$12,613	\$8,862	\$4,654

Summit/Market Net Surplus (Deficit)

	\$39,828	\$30,830	\$4,715
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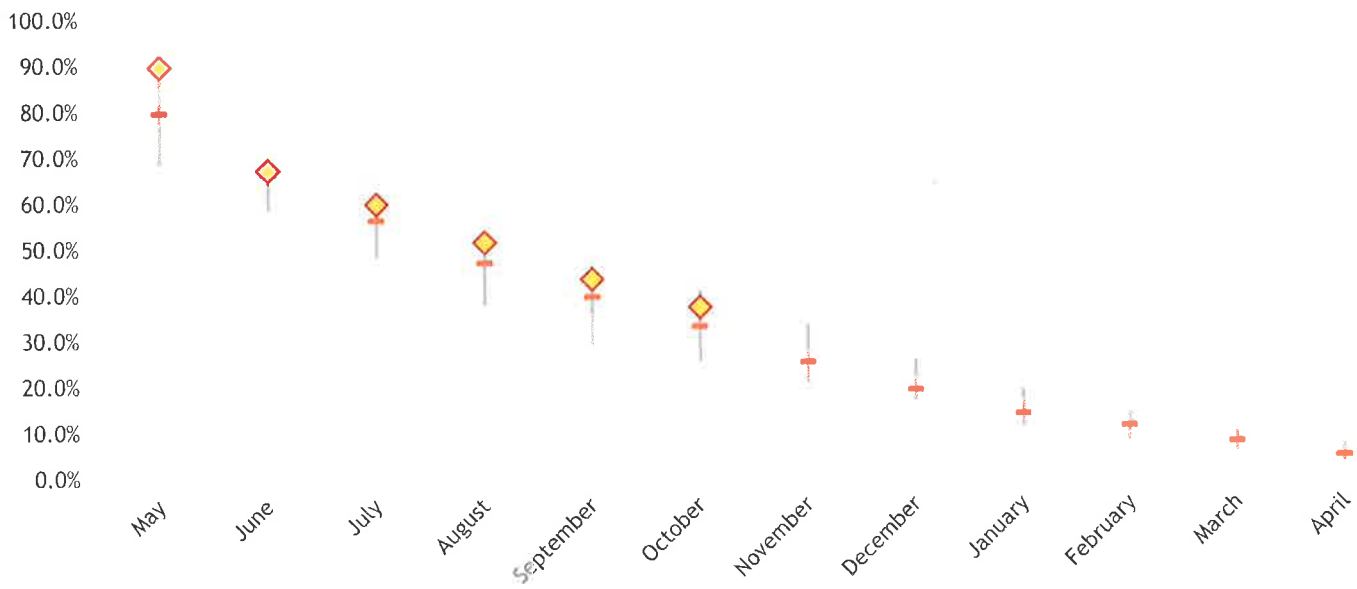
COLLECTION CHART - YTD

High Low Average Current



OPERATIONS CHART - YTD OPERATING MARGIN

High Low Average Current



Masthope Mountain Community
Board of Directors
October 30, 2017

Board Members:

As members of this community association we each as individual members have a right to expect that the elected Board of Directors serve in such capacity to the best of her or his ability in the best interest of the community at large. You had to run for election to hold such position and the implied pledge to do your due diligence, and our belief in your dedication to the community and its ongoing welfare is the reason you were given such large responsibility and fiduciary trust at the time of our electing you to your position of being a trusted member of the board.

As we are a diverse community with differing opinions and visions of what Masthope should be, the task facing you is often a potentially difficult matter. You volunteer your time for the community with no remuneration and for too little appreciation of your efforts. Yet you continue to give to the community your time and expertise which benefits all. Yet without your contribution to the community we would not be able to function for very long. It takes a special type of personality to do that day after day.

For that reason we association members have no desire to impose upon you any burdens beyond the general oversight of the community and its finances and we are fortunate and grateful to have some top of the line eminently qualified executive type financial and procedural people at the helm. Because of working with the expertise of our management team and a dedicated office staff your board position should place upon you no special burden. Yet there are times when members have concerns and hold your feet to the fire so as to assure that you meet your obligations as board members.

It is a thing which comes with the territory. As a community member I can appreciate and respect the concerns of other members. Better a member should place upon your shoulders their concerns than remain silent and be uninvolved in the direction of the community. An involved member is a good member. A community such as Masthope cannot flourish without the involvement of members at all levels of participation whether it be as much as being a member of the board or as little as sitting at the bar and spending money it is all participation. It is all important.

As a matter of ongoing concern, and this is not of special concern to me individually, but is of concern to other members therefore on that point it is of concern to me as what affects my neighbor affects me as well. I feel that the tone of the last board meeting, though top shelf entertainment, left a bit to be desired as to outcome. I believe it needs to be tied into a pretty bow and put to bed.

I speak to the issue of trailers on property owner lots. I am offering my opinion and un-requested advice to you board members in this letter. As I see the thing, and I may be mistaken, but you seem to be putting far too much into the wording which is causing a clouding of the matter. So let me offer you this thought. The Board of Directors does in fact have the ability to come to a consensus as to what a thing is by definition. In doing so you must use reason and logic. Otherwise the thing becomes a quagmire in which you get bogged down. That is not good for you as a board. It is not good for the community.

With that said please allow me to offer this to you. When I built my home here nearly three decades ago I looked at the documents which are now bogging you down on what should be a relatively simple matter. It was my understanding then in 1987 when purchasing my property in Masthope that no trailers were permitted in Masthope Mountain Community. As I was preparing to build a house it was clear to me that trailers such as exist in nearby Trails End in Shohola were not permitted under deed of restrictive covenant. The fact that people had boat trailers was of no concern to the then owner of the community Mr. Sam Barretta from whom we purchased the community land in what was called Masthope 2000.

I believe all restrictive covenants under rule of law came in tact pursuant to said sale. Therefore what was understood as definition of a thing then applies in force of law now. That being the case no member might place upon any property in Masthope a "trailer" as is understood to be a place of dwelling. How it applies to other types of "trailers" is in my opinion a matter of rules and regulations as created, written, enacted and enforced by the board of directors and community management.

If you were to consider the original deed of restrictive covenants to include any and all types of trailers then you would not even be able to bring many larger delivery trucks into the community as any trailer making delivery to any property including community facilities such as the lodge would be in violation simply by even temporarily parking on the property. As I said, this is a matter of common sense. Clearly the restrictive covenants were written in reference to a trailer which could serve as a place of dwelling. As well trailers for camping even for a period of even short duration as the covenants clearly forbid camping on a property for any period of time.

Now in regard to the ability of a member to park a travel trailer on a property upon which they have built and established a legal dwelling, which is the situation which brought about this ongoing issue, even though it does not, in my opinion violate the code of the deed of restrictive covenants per se, it is still an issue which you must not push off as it is a matter of concern to a member to whom you owe a solution. I will here offer my thoughts on this point.

Any type of trailer such as a utility trailer or boat trailer is not a problem and is easily dealt with under rules and regulation in which you have wide latitude. The travel trailer is however a gray area as it is something which can be used as a temporary dwelling. In this day and age people rent out individual rooms. There is even an app whereby you can rent out your couch. This is clearly a thing not permitted in Masthope. You have already set precedent under law in this area of concern by allowing people to build garages with attics that have no plumbing indoor bathroom and kitchen hookups and the requirement of potential community code inspection to assure that such place is not converted illegally into a place of dwelling. And since a travel trailer has within it all of the requirements of a place of potential dwelling it falls under the same category of concern.

But above and beyond the issue of potential for dwelling, a travel trailer has the "appearance" of dwelling whether it be occupied or not as that unlike a garage that potential "appearance" is the primary objection to a travel trailer. And even though I don't speak for any other member I believe that is the primary concern of the member and property owner that they do not wish to see anything permitted into the community which has potential to reflect poorly on our community which might potentially impact our property values.

We each bought our properties with the expectation that our property value would be protected from the negative perception of a trailer park type community. The member has the right to demand of you a reasonable response and action. I hope that by what I said in this letter that you are in some small way guided by my thoughts on this issue. We each as members have a desire to see Masthope thrive.

Action is hereby requested of you by the general membership, body of the whole. Consider all matters in this letter and please respond to the member as I believe it remains unsettled. It might not be satisfactory to the member in which case the member has the ability to take it to law. But you must come up with some sort of general consensus. The membership requires of you that you sometimes make hard decisions. But action is required and requested as this issue must be put to rest.

On one additional note, as a part of this discussion, I must add that I am in disagreement with the mentioned comment at a recent board meeting of an opinion of the boards attorney that Masthope Mountain Community is guided by one set of restrictive covenants. If you were to check with the administration of the Pike County Registrar of Deeds or any governmental agency charged with maintaining a file of such documents, I believe you will find that statement to be in error. Covenants are filed bearing differing dates. Masthope Rapids and Falling Waters are guided by differing documents. And with the original documents there might even be a third as it was developed over a period of time by Karl Hope under several phases.

Regards:

Michael Seyfried

ECC Code Officer Monthly Report November 2017

Permit #	Owner	Lot	911	Date	Type
20549	Adello	320FW	115 Rocky Rd	11/14/2017	sign
20550	Perkowski		120 Bridle	11/22/2017	sign
21071	GA Homes	362MR	159 Karl Hope	11/5/2017	bidg
21072	GA Homes	1155FW	141 Perch	11/2/2017	bidg
21073	Devaney	850FW	264 WLV	11/8/2017	bidg
21074	Walters	327FW	126 Pebble Rock	11/9/2017	bidg
21075	Sanna	419FW	161 Eagle Rock	11/9/2017	bidg
21076	Lacey	216FW	188 Robin Way	11/10/2017	bidg
21077	Fahey	430MR	225 Upper Ind.	11/12/2017	bidg
21078	Presto	16MR	133 Paul Revere	11/12/2017	bidg
21079	Puleo	879FW	261 WLV	11/12/2017	bidg
21080	Fixler	292MR	810 Musket	11/12/2017	bidg
21081	Ionic Properties	155MR	155 Constitution	11/12/2017	bidg
21082	Tavella	849FW	260 WLV	11/17/2017	bidg
21083	Lotz	105RF	104 Fern Ct	11/17/2017	bidg
21084	Hartig	WP23-1C	136 Westcolang Rd	11/22/2017	bidg
21085	Esposito	401MR	104 Summit Ct	11/24/2017	bidg
18939	Romano	495CF		11/4/2017	burn
18940	Clark	555RM		11/5/2017	burn
18941	Dooley	156MR		11/16/2017	burn
20624	DiGraziano	151FW	105 Oriole	11/7/2017	tree
20625	deVinck	381MR	161 Heritage	11/7/2017	tree
20626	Nasack	177MR	114 Musket	11-9-176	tree
20627	Lacey	216FW	188 Robin Way	11/10/2017	tree
20628	Puleo	879FW	261 WLV	11/12/2017	tree
20629	Presto	16MR	113 Paul Revere	11/12/17	tree
20630	Schwartz	MPVB-1	126 Twin Rivers	11/12/17	tree
20631	Buhler	836RF	108 Larch Ct	11/19/17	tree
20632	Michel	347MR	163 Powderhorn	11/22/17	tree
16732	Butt	970FW	134 Maple leaf	11/01/17	landscape
16733	Altholtz	218MR	109 Buckskin	11/01/17	landscape
16734	Iannello	657MR	143 Lamplighter	11/01/17	landscape

Managers' Report
November 24, 2017
Projects:

Projects:

1. Top of Mtn – Work continues.
2. Water tower – Work to start this fall.

Public Safety

1. Gearing up for winter season.

Maintenance

1. Replacing fence behind maintenance yard.
2. Trucks ready for winter season.
3. Staffing for lodge operations for ski season.
4. Lighting in lodge converted to LED

Summit

1. Chairs and Bar stools on the way.
2. New menu in place.
3. Hiring seasonal staff.

Administration

1. Updating passes with ski stickers.
2. Reviewing collections to clean up minor amounts owed and sending out invoices for past due owners.
3. Preparing budget for committee review.