

**Masthope Mountain Community
Board of Directors Meeting
May 26, 2018**

Transcriber: Kelli Myers
Property Owners Lounge

8:30 AM Meeting called to order and Pledge of Allegiance said.

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

Absent: Gerhard Buhler and Rich Neidkowski

Dan asked for approval of the agenda. James asks for the addition of Robert's Rules to Old Business. The agenda was approved unanimously.

Dan asked for the Approval of the Minutes from the April 28th, 2018 Board of Directors Meeting.

The Minutes were approved unanimously.

Treasurer's Report- for period ending April 30th, 2018. Prepared by Gerhard Buhler, read by Foster McCoy-see attached.

Treasurer's Report was approved unanimously.

Eugene asked why the Marketplace was down? Randy responded that they are working on new ideas for the market. He just does not have a good answer at this time. Randy added that he and Kelli attend a seminar with for communities. He was talking to another community manager whose community has a restaurant. That community subsidizes their restaurant \$200,000 annually. The Summit is not subsidized by Masthope. Dan added that when Gerhard does his treasurer's report, he compares the previous year's income and expense to this year. This was a tough year due to weather conditions. Randy explained that one of the biggest contributors to the expenses of the Marketplace is staffing. You cannot predict when it is going to be busy or not. Eugene asked if the numbers were good for the Summit. Randy answered yes, they are. It is down from last year due to a soft February. Bruno asked if we inventory the Market. Randy explained that the Market and Summit do monthly inventories.

Correspondence Report- Dan Clark-Received correspondence from Mike Seyfried. See attached. It is a topic that will be discussed in Old Business.

Foster called for Committee Reports

- a. Ski & ATV-Sheldon Langer-There is a lot of maintenance need on the ATV trails and training area. He would like to activate the ATV Committee to be a working

committee to help maintain the ATV areas. The volunteers could also help in policing the areas. James asks if there were enough members or are you looking for new members? He needs new members. James asks does the Board need to approve members to this Committee? Dan responded that this is not a standing Committee. James feels that the Board needs to tighten up the policy on Committees and their members. Dan asked Sheldon how many members does he have. There is no definite number. Dan continued that we will need to advertise for members. Randy added that this committee is a working committee. It will not reevaluate the rules and regulations. No report from Ski.

- b. Audit-Maria Porter-Nothing to report.
- c. Strategic Plan-Vicki Graziano-Thanks Leatrice and the Beautification Committee for their help with Thundercloud Miniature Golf sign. Cornhole and horseshoes will be added that area. The Committee is submitting their final draft of the Strategic Plan to the Board for review and hopefully approve for the next meeting. There are some formatting issues that will be adjusted. The new logo is on the front.
- d. ECC-Peter Torchio-see attached.
- e. Westcolang Lake Association- Dan Clark-The last meeting they received a proposal from AquaLink to treat the front of the lake. The front of the lake is near the dam. The cost would be \$6,000. The Village cannot afford that amount. Dan explained how that part of the lake is getting overtaken by milfoil. The question is would the treatment just benefit the Village? Dan continued that our property owners do go through that area. The milfoil could seize the props of their watercrafts. James asks would the Village contribute something? Dan believes that the Village would contribute the percentage that was agreed upon in the past for testing and other treatments. Bruno asks where the front of the lake is. Dan reiterated that the front of the lake is near the dam. James added that Masthope's lakefront property owners pay to take care of their area and that the Village may have to step up more. Dan stated that this is going to be discussed for next budget year.
- f. Documents-Dan explained the Covenants revision will be discussed in Old Business. Randy explained that Alan Young has the proposed revised Covenants for review. He will revise where he sees necessary and send it back to the Committee for review.
- g. Fire Prevention-Jim Fox-Things are greening up.
- h. Beautification-Leatrice Langer- Thanks all the volunteers that help. She thanks Robin for taking over the Clean-up Day, Skip and John for planting, Randy for purchasing the plants and the Board for approving the signage for the mini golf course. There is a new sign at the Tiki Bar. Tom Thompson attend the last Beautification Committee meeting. The Committee gave him a list of things that they feel needs attention. Some of these items are already completed. She compliments Tom and the Maintenance Department on their good work and looks forward to working with them. Bruno added that he and his wife played a round at the miniature golf course and had a fun time. Peter saw Masthope's miniature golf course on channel six news. They said play a round of mini golf at Ski Big Bear.

President's Report-Dan Clark-In the Board SOP's, it states that board meetings are to run under the new simplified Robert's Rules. James researched that the Board meetings should be run under Pennsylvania Modern Rules. Dan and James agreed that they need to get this in

sync. Dan continued that motions should be submitted one week before the meeting. However, a motion could be brought up at the time of the meeting. Steve Stern was very good at following the rules for a meeting. The Board should try to get the information out ahead of time to give the members time to think about the proposed motions. James adds that if one is unsure of a decision they can bring that up.

Manager's Report-Randy Schmalzle-see attached.

Old Business:

Foster read a statement from Gerhard. It read that there was a lot of progress made on the Reserve Rules. They have been submitted to both Bill Owens and Alan Young for review. We received them back and now it is now in the hands of the board to be discussed at the June Board meeting. It is expected to be presented to the membership to vote on at the November General Membership Meeting.

Dan consulted Alan Young about how the Board should record votes. He responded yesterday. With the short amount of time to review, Dan recommends that be discussed at the next Board meeting. James stated that he read it two times and is ready to discuss it. Michele said she didn't have a chance to open it. Discussion will take place at the next Board meeting.

James-Robert's Rules vs. Modern Rules-He read that there are some cases that ballots are permitted for motions. When a member may not want others to know his vote or when members want to avoid influencing one another, a ballot system can be put in place. James would like to see the practice in place for the Reorganizational Board Meeting. Dan reminded everyone about the books that the members received last meeting. One of the main elements in the book is voting. It recommends the raising of the hands. In the Board SOP, transparency is the key so the membership knows what the Board is doing.

New Business:

Dan read the proposed motions. (See attached) They will be voted on after property owners time, so the owners can give their opinions on the motions.

Jim addressed the dog park issues that was brought to his attention. Property owners are not picking up after themselves. They are leaving stuffed toys laying around the park. There are still trees down in the park also. Randy will address that with maintenance.

Property Owners Time:

Sheldon Langer 458MR-The ATV Simulator will be at the July 7th picnic. They could use assistance with the simulator.

Mike Seyfried 157MR-He sent Dan an email regarding the voting procedure. He does not agree with the Board voting on the new voting procedure and the votes that followed. Randy looked into the rules and regulations on voting procedure and discovered that there are no rules in place. The Board did nothing wrong with changing the way that they cast their votes.

Louis Bell 347FW-How long do pool heaters last? Randy answered that it varies. It could be 5-10 years. They have better ventilation for the heater now and keep the pool chemicals separated from the heater. Masthope should get 10 years out of a heater.

Rose Perrotti 164RF-Does not agree with the motion about the registration of ATVs/UTVs. She does not feel that the property owner should be able to continue to register the same number of vehicles once one breaks down. They should comply with the rules in place. Regarding the dog park, she thought the rule changed about charging for the dog park. It was explained that Randy regrets charging the one-time fee however that it was never changed. She would like that Board to review this charge. A brief discussion ensued. She compliments the office staff on a job well done.

Mike Seyfried 157MR-In regard to the trees that were damaged in the storms, a large branch fell on powerlines. He contacted PPL and they removed it. PPL told him that all the oak trees are dead and should come down. This is a community wide problem. Randy responded that they are not dead. Ed reminded him that if he wants to cut down a tree on his property, he can apply for a permit. Peter asked Randy about spraying their trees. Pike county does a study every year on gypsy moths. Pike does not have a significant amount of Gypsy moths and would not qualify for any funding. Peter asked what the purple boxes were on some trees. Randy responded that they are used for something for hickory trees. Pike county looks for egg masses of gypsy moths. The county is in good shape.

Bill Chillainis 404MR-He feels that the vote was wrong on the number of ATVs/UTVs/golfcarts. He doesn't feel it was in the best interest of the community. He feels that there are personal feelings involved and that is not right. People purchased homes in the community for specific reasons one being the usage of ATVs. He is not going to let this issue die.

Mike Seyfried 157MR-He feels that James handled the townhall fine. He does not think that the change should have taken place. In regard to the motion, the member should not be allowed to keep registering vehicles once one is off the road. Foster explained that the Board has not discussed this topic yet. It was read purposely to get feedback from property owners. Dan explains that the wording was put in place due to wording in the Rules and Regulations. Dan continued that the Board can make any rules that they want to.

Maria Porter 246FW-If it is in our Rules why would the Board vote on that motion? Dan explained how the Rules changed to only 4 recreational vehicles. It used to be 4 ATV/UTVs and 2 golf carts.

Paul Mora 643MR-After Bill spoke, no Board member responded. Foster acknowledged that no one did respond. He wants to know why the number of ATVs went down when no one asked the number to decrease. Why did it go backwards? Eugene agrees with Paul. Ed was quoted that their would be no change to the existing rule. Eugene continued that he did not feel that the motion or vote should have taken place. We lied to these property owners. The vote should have had at least a full board attendance. James explained that there are numerous meetings where the board is not in full attendance. Paul explained that no one asked to decrease the number. The options that were listed at the townhall were unfair to property owners. They requested to increase the number not decrease. He repeated that it was extremely unfair. Ed stated that the vote was very close, and he does not feel that the rule should have changed either.

Mary Appuzzo 919CF-If the ATV, dies it should not be replaced. Masthope has good communication with the community. Management informs property owners of upcoming meetings and events.

Bill Chillainis 204MR-1 and ½ years ago he asked for the number of ATVs to accommodate the size of the family just like they get for property owners passes. Foster explained that the passes policy is going to be reviewed as well. We are bankrupting our ski area. We could be in danger of losing the mountain. It is a privilege to run ATVs in the community not a right. This community has become overrun with ATVs. The board must keep order in the community. Dan explained that if someone were to get killed in an ATV accident, the ATVs would be banned from the community. Our insurance carrier would not insure the community if that were to happen. Bill continued that we should go after the drunk drivers leaving the bar everyday rather than attacking the ATVs users.

Mike Seyfried 157MR-We have recreational vehicles that are too big for the trails. The roads are the recreational vehicles' playground. His suggestion is to charge more for additional ATVs. Allow a certain number and then charge a significant amount the more. Please just enforce the rules.

Lou Bell 347FW-This is an HOA not a 30-acre farm. There are rules. If you don't like the rules move out. 4 ATVs is enough.

Mary Appuzzo 919CF-Agrees with Lou Bell. You need to stop somewhere. She wanted the building to stop in 2004. As membership increases, the rules must change.

Rose Perrotti 164RF-The ATV Committee did a lot of research and work. She voted for 2 ATVs. She really would have voted for none. We have an increasing population and need to keep membership safe. We assume the risk as the community. She took out additional insurance to protect her if there is ever a major lawsuit against the community. Foster added that the Committee spent a long-time meeting and reviewing rules and regulations for recreational vehicles.

John Conklin 704RF-Rules keep changing when the Board changes. They can't keep changing the rules. He has 4 ATVs and 1 UTV. Enforce the rules and revoke a member's registration if they are breaking the rules. Will the boat rules change too? Ed added that the rule was 4 ATV/UTV and 2 golf carts. He was registered in error. Peter reminded everyone that the reason the rule changed to increase was so parents could ride with their children. Michele added that rules change because the environment changes.

Mike Seyfried 157MR-If anyone is grandfathered for number of recreational vehicles, when the vehicle dies they should not be replaced. They should have to abide by the rules at that time.

Paul Mora 643MR-The numbers were not supposed to decrease. He spent time going to meetings and never heard anyone discuss the number to decrease except by James. He has a hard time excepting where this ended up.

John Conklin 704RF-Who made the motion to change the number of ATVs? James explained it is public knowledge. Someone spoke out that "everyone knows that James made the motion". Bruno explained that the back of the semi-annual newsletter lists all of the current motions also.

MOTION 01:05:26:18

Whereas a pool heater is not working

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the purchase and installation of a new heater at a cost of \$3500. The funds will originate from the Board of Director's Capital Contingency line. The cost to repair the heater would have been approximately \$1800 with no guarantee.

FIRST: DAN CLARK

SECOND: MICHELE TORRE

MOTION PASSES: FOR 9, AGAINST 0

MOTION 02:05:26:18

Whereas the community contribution to employee medical coverage is to be reviewed annually and the community needs to be competitive in hiring full time staff:

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the community contribution on 70% per annum and will continue to be reviewed annually

FIRST: DAN CLARK

SECOND: FOSTER MCCOY

MOTION PASSES: FOR 9, AGAINST 0

Dan added that he asked Randy to consult Alan Young regarding number of recreational vehicles and grand fathering/waivers. Is Masthope obligated to continue to register these vehicles if they followed the rules or registered accidentally. The response was no Masthope does not have to in the future. Alan recommends giving a grace period for a property owner to become compliant. Discussion ensued.

MOTION 03:05:26:18

Whereas John Conklin, 704RF has been registering 4 ATVS and 1UTV since 2014

Therefore be it resolved that the Masthope Mountain Community Board of Directors grants a waiver to John Conklin of 704RF to continue to register his family's 4 TVs and 1 UTV. Any of these vehicles may be replaced by other vehicles to continue the waiver, as long as any of the vehicles registration did not lapse.

FIRST: DAN CLARK

SECOND: ED MCCLARY

MOTION FAILS: FOR 0, AGAINST 9

MOTION 04:05:26:18

Whereas John Conklin, 704RF has been registering 4 ATVS and 1UTV since 2014

Therefore be it resolved that the Masthope Mountain Community Board of Directors grants a waiver to John Conklin of 704RF to continue to register his family's 4 ATVS and 1 UTV for the life of any of the 5 machines. Each machine must be registered with Masthope Mountain Community annually. Failure to register annually will result in the termination of this waiver.

FIRST: ED MCCLARY

SECOND: PETER TORCHIO

MOTION PASSES: FOR 5, AGAINST 4

Meeting Adjourned 10:27am.

Executive Session began 10:37am.

Executive Session ended 11:15am.

Meeting Adjourned 11:16am.

Treasurer's Report for Period Ending April 30, 2018

Unaudited

Collections - YTD

	Apr 17	Mar 18	Apr 18
Total	2047	2043	2043
Billable	1748	1745	1745
Paid in Full	1606	1615	1621
Percent	91.9%	92.6%	92.9%
Outstanding	142	130	124
Total Bad Debt Lots	53	53	53

Unrestricted Income and Expense - YTD

	Apr 17 YTD	Mar 18 YTD	Apr 18 YTD
Revenues to date	\$2,597,130	\$2,605,493	\$2,649,485
Expenses to date	\$2,530,028	\$2,459,829	\$2,599,399
Net Surplus (deficit)	\$67,102	\$145,664	\$50,085
Margin (Net/Revenue)	2.6%	5.6%	1.9%

The Summit - YTD

Revenues to date	\$1,509,163	\$1,495,781	\$1,540,226
Expenses to date	\$1,358,797	\$1,357,087	\$1,418,338
Net Surplus (deficit)	\$150,366	\$138,694	\$121,889

The Market Place - YTD

Revenues to date	\$429,083	\$450,861	\$472,668
Expenses to date	\$446,328	\$477,778	\$497,570
Net Surplus (deficit)	(\$17,245)	(\$26,917)	(\$24,902)

Summit/Market Net Surplus (Deficit)

	\$133,121	\$111,777	\$96,987
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Dan:

I am writing this to you simply as a point of concern regarding something which was done by the board of directors at the April meeting. It is simply a technical issue which I believe needs to be corrected. It involves the matter of how the board votes on board agenda items. As James brought up the issue I have no disagreement with the approach recommended to be used by the board to record votes yes or no. But here is the problem that I see.

When you voted to approve or reject the proposed change it is the method you used to approve or reject the new proposed change I am concerned with. In reality you used an unapproved method in order to advance a item on the agenda. In my opinion you cannot do that. If a method has not been approved to record a vote tally you cannot make a legally binding vote with that method. Therefore the new method which you approved is invalid as are the two votes which followed. And logically every single vote which you vote on down the road will also be invalid until you correct the issue.

The only way in which you can do that, I believe, is to re-vote the matter of changing the method by way of utilizing the former and in my opinion only currently legitimate method which is still the individual polling of the board members in attendance. After that, assuming the outcome remains unchanged you can then proceed to vote by way of the currently technically unlawful method which has been approved by way of an error in procedure.

This may seem to be a petty matter however you are a board of directors which is operating under a legally established set of rules which are in place for good reason. This is not simply a garden club deciding which type of flowers to plant. The board has a very serious set of guiding principles and rules and accuracy to detail is important. Sloppy procedure could be reflected in outcomes in a court of law. Therefore what you are doing on behalf of the community can have far reaching outcomes.

In regard to other matters related to how and why the individual members of the board vote, a comment was made by James that it is the responsibility of the board to have his or her mind made up in advance of voting and it should not be done as a matter of consideration of how other members cast a vote and making a last minute decision basing it upon some sort of popular or group majority pressure vote.

His point is well made. But he also suggested as is my understanding, please correct me if I am in error, that it should be based upon his understanding that it is a leadership position and making the hard choices as a matter is strictly upon those individual members and their feeling on any particular issue. Although true, I would hope that such an approach involves a consideration of what the community desires and as much input from the community is available.

I know that is a difficult position to follow as there is sadly little input from the community. So on that issue I imagine that it is up to the individual to attempt to have their finger on the pulse of the community. I as well do believe that even though the vote method be changed for the betterment of the process that it is still important that the vote of the individual members continue to be recorded for the benefit of historical review.

As well I do believe that changing the vote from the individual poling process really takes the drama out of the process. And that is a little bit sad not seeing how Dan is going to put his head down and briefly ruminate on the matter at hand. In truth I would like it to remain in the format it has long been done. But whatever!

Regards:

Mike
05-10-18

Managers' Report

Projects:

1. Top of Mtn – Work continues.
2. Water tower – Work continues.
3. Drainage Repair – Waiting for survey to develop repair plan.

Public Safety

1. Ready for the start of the season.
2. There will be a strong presence with concentration on ATV rules and regulations.
3. Trouble properties will be targeted.
4. There will be an after and before hours' presence at the beach area.
5. Dock Master (Ron) is now authorized to issue citations in conjunction with Public Safety.
6. We will continue to work with all state law enforcement agencies to enforce community rules and regulations as well as state law.

Maintenance

1. Summer preparations continue with a lot of work completed. Just a few of the items completed.
 - A. Pool project is completed by contractor.
 - B. Minor additional pool work will continue.
 - C. New pool heater has been installed.
 - D. Gutters and downspouts have been addressed on lodge.
 - E. Roadside cleanup continues, with the weather patterns it may never end.
 - F. New plantings and landscape.
 - G. Dock installation and repairs.
2. Work that continues

- A. Line painting in all lots and stop bars.
- B. Horse trail cleanup from storm damage.
- C. Landscaping and beautification.
- D. Mini Golf completion with corn hole and horse shoes.
- E. Road Program
- F. Beach Cleanup, remove some rocks.

Summit

1. New menus in place.
2. Tiki bar finally open after weeks of bad weather.

Administration

1. Dues is being paid.
 2. ATV and Boat registrations.
 3. Auditors have visited and will continue to request info.
 4. Health insurance has been reviewed unfortunately there are significant rate increases. We are searching for ways to find reductions.
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20662	Seidel	578MR	109 Const	05/18/18	tree	
20663	Araujo	1036FW	359 FWB	05/18/18	tree	
20664	Raczkowski	609MR	101 Const	5/20/2018	tree	
20665	Breen	948MR	102 Bugle	5/20/2018	tree	
20666	Wrona	258FW	158 Upper Ind	5/22/2018	tree	
20667	Jemison	258FW	111 Red Breast	5/24/2018	tree	
16754	Perrotti	164FW	103 Blue Jay	5/4/2018	landscape	add soil and seed
16755	Pisinski	1027FW	377 FWB	5/5/2018	landscape	#2 clean stone
16756	Geiman	909FW	154 Rainbow	5/5/2018	driveway	patio-fire pit-resurface drive
16757	Hopko	20FW	119 Briars Ct	5/5/2018	landscape	stone wall & drainage
16758	D'Ambroso	625FW	110 Eagle Rock	5/11/2018	driveway	resurface drive
16759	Bovino	270FW	114 Robin Way	5/11/2018	driveway	resurface drive
16760	Jacobs	210FW	176 Robin Way	5/14/2018	driveway	expand drive clea stone+ rip rap
16761	Mazer	293MR	813 Musket Ct	5/14/2018	driveway	pave
16762	McKee	427MR	105 Log Cabin	5/15/2018	landscape	grade for drainage
16763	Pisinski	1027FW	377 FWB	5/17/2018	landscape	arrange stones make sandy beach
16764	Warchol	114FW	147 FWB	5/20/2018	landscape	drainage and fix patio steps
16765	Rose	508MR	127 Log Cabin	5/20/2018	landscape	grade for drainage
16766	Wesch	868MR	165 Candlewick	5/21/2018	driveway	resurface drive
16767	Jemison	258FW	111 Red Breast	5/24/2018	landscape	shed pad
16768	Shaykis		108 Lamplighter	5/25/2018	landscape	perimeter drain
16769	O'Hanlon		218 Tanager	5/25/2018	driveway	resurface drive and expand 300sq'
9758	Freeo	83MR	120 Paul Revere	5/7/2018	roof-siding	25+25
9759	Perrotti	164FW	103 Blue Jay	5/11/2018	stain trim	
9760	Balzfore	464MR	106 Slalom	5/14/2018	roof-siding	
9761	Touseull	WP 34-1	112 Wetcolang Rd	5/14/2018	roof	25
9762	Ehlers	284MR	257 Powderhorn	5/18/2018	stain deck	
9763	Shekhmeyer	1085FW	135 Maple Leaf	5/18/2018	stain deck	
9764	Quintana	90FW	103 Hemlock Ct	5/18/2018	stain deck	
9765	Breen	8948MR	102 Bugle	5/20/2018	stain house	
9766	Bartelotti	536FW	178 Tanager	5/21/2018	siding	
9767	Kleinman	64R FW	116 Eagle Rock	5/24/2018	stain deck	
15211	Yudichak	173FW	102 Blackbird	5/5/2018	bagster	
15212	Toder	365FW	113 Pebblerock	5/7/2018	dumpster	

15213 Travels 225MR 242Rader/Korn 5/19/18 dumpster