

MASTHOPE MOUNTAIN COMMUNITY
PROPERTY OWNERS COUNCIL
GENERAL MEMBERSHIP MEETING
MASTHOPE PROPERTY OWNERS LOUNGE
LOWER COMMONS
MARCH 26, 2011

Transcriber: Donna O'Grady

Salute of the Flag and Steve Stern called the meeting to order at 10AM.

Steve Stern stated that this is first meeting in Masthope history that we are using directed proxies and will give the count at the end of the meeting. We also have a goof for this meeting; we sent out a mailing regarding proposed By-Laws change from majority vote to polarity vote. We neglected to put this on the Agenda; so it will be first the first order of business on the Agenda for the July meeting.

10:15AM Motion: 03:26:2011:1
Waive the reading of the Minutes
Maker: Freemont Reif (307MR)
Second: Bill Deger (579RF)
Motion passes unanimously via visual inspection

Steve Stern called for a motion to accept the Minutes.

10:17AM Motion: 03:26:2011:2
Motion to accept the Minutes
Maker: Freemont Reif (307MR)
Second: Bill Deger (579RF)
Motion passes unanimously via visual inspection

S. Stern announced that four (4) property owners volunteered to be counters if needed: Bill Deger (579RF), Russ Longo (1066FW), Bob Santangelo (842FW), and Ernie Windfuhr (906MR).

Dan Clark gave the Treasurers Report for the period ending February 28, 2011. (see attached)

We have 1803 buildable lots, at this time 1585 are paid in full and this is close to our Standard; also, we have 218 lots in arrears.

On the Public Safety side; we are approximately \$2000.00 over budget. This overage has to do with overtime, this cannot be accurately projected. It is the nature of the beast with Public Safety.

Steve Stern stated that we will wait until all reports are given for questions.

President's Report ~ Bob Ferretti

Bob Ferretti stated what a difference a year makes. At this time last year we certainly had some concerns about where we were going. In less than a year Dan Clark, Recreation Management, the Board of Directors and John Castellano put us on the right track regarding the budget. We will be moving the athletic courts because of the installation of the cell tower, which is going start as soon as the weather permits. A Task Force Committee has been formed to work on the Rules and Regulations, and the Covenants and also a Master Plan Committee have been organized. Bob Ferretti stated please send your surveys in; this way the board and management know what direction to take. If anyone has questions we will address them after all reports are given.

Management Report ~ Randy Schmalzle

This is your Budget Meeting so I'll just cover a few items. The first item is budget related. We need to give a huge thank you to all our staff and all our managers. Every one was very budget conscious this year and we achieved our goal of supplying the community with the best services we can on a very restricted budget. I'm sure you noticed that some things have not been A-plus; they may only been B-plus for a year; this was done for a reason. The reason was we needed to conserve the budget to get the community back on line and our staff did just that. As Dan explained earlier our conservatism has impacted our budget in a very positive way. In going forward, the budget you will be looking at today, our staff has had major input and I think this is the first time our managers have really looked at their budget and had and input. Yesterday John Castellano and I reviewed all the managers. I'm happy to say the review process went wonderfully and now we are in the process of reviewing the rest of the staff. Randy spoke about the cell tower; its completion and what it will mean to our Public Safety Department. Randy informed the audience about the new sprinkler system law. As far as the moving of our athletic courts we are working with Kiley Associates; and of course, the State of Pennsylvania. The State can be very hard to work with, Kiley has been answering all their requests, but we may be a little late on this project. Lackawaxen Township has been a terrific and we are going to ask them for some help with this project. Randy spoke about the ball field bathrooms, the compactor area, and the roads. Randy stated that he wanted to make everyone aware; we cannot allow personal alcohol on property; this includes the Lodge and the ground immediately surrounding this building, the office, the pool, the ski building, and the parking lot. These areas are licensed by the State of Pennsylvania and if someone brings in their own alcohol this puts our license at risk. Public Safety has been advised to remove the alcohol. This is a State rule and a very touchy one. I'm sure everyone will cooperate with the enforcement of this rule. On the same subject "Bingo Dan" will now be a member of our local ambulance company because we are now going to have our bingo under the leadership of the Lackawaxen Ambulance Company.

Ski Report ~ we had a great consistent year. We are in the 61 thousand skier area; that includes the property owners, guests and those people from the outside. Our biggest users are the property owners and their guests. For a little ski area this is fantastic. The improvements have cut the wait time for the skier's way down. Our on going vision for the ski area is that it is just going to get better. Every year we make a major investment in rental equipment and every year it pays off for our property owners. The Ski Committee has some grand ideas, and the nice thing with the Ski Committee is they have the plan and can figure out how to get it done. Recreation Management presented a

check to Masthope in the amount of \$166,696.00; it is the largest check that we have given to the POC; in addition, we have reimbursed the community for cleaning, rubbish removal and some snow plowing in the lodge in the amount of approximately \$65,000. Randy presented the check to Dan Clark.

Bob Ferretti ~ addressed a letter the Board of Directors received from Fred Suljic regarding the conditions of Route 590.

Sheldon Langer (458MR) responded to the letter. Sheldon Langer stated that he sent an e-mail to Penn Dot expressing our concerns with Route 590. Penn Dot responded stating that it is definitely in the plans for this year. They will fill the potholes in the spring and summer and in the fall repave it.

Danuta Jankowski (599MR) ~ questioned the dues on improved, unimproved and double lots and merging. Dan Clark responded and explained the dues and lot situation.

Joe Gladis (598AF) ~ gave an update on the surveys. We had 398 responses so far. The top subjects were expanding the beach area and putting in another pool. Joe Gladis thanked everyone who responded and asked for the people who did not respond to please fill one out.

Treasurers Report – Dan Clark ~ presented a power point on the 2011 budget (see attached report). Dan Clark complimented the management staff for their input and hard work and then went line by line explaining each line in detail. Dan completed his report and presented the budget.

Ralph Silvestri (175FW) ~ thanked Dan Clark and the board for the presentation. Ralph Silvestri also questioned if the projects on the survey would be presented to the membership. Dan Clark responded stating that all projects would definitely be presented to the membership.

Bill Owens, CPA ~ explained the direct proxy procedures. The deadline was March 18, 2011. A few were disqualified because of dues owed, but out of the 159 that were received 147 received voted on the budgets. Mr. Owens stated that everything was handled through his office.

Steve Stern asked if anyone has any questions regarding the directed proxies; as that will be the way proxies will be handled in the future. Steve Stern also explained that if a subject is not on the agenda it cannot be discussed at the board meeting.

11:33AM Motion: 03:26:11:3
Approval of Operating Budget
Maker: Steve Stern
147 votes passed
137 votes For and 10 Against
Motion passes unanimously via visual inspection.

11:36AM Motion: 03:26:11:4
Approval of Capital Budget
Maker: Steve Stern
147 votes
140 votes For and 7 Against
Motion passes unanimously via visual inspection.

Old Business: Nothing

New Business:

Steve Stern spoke about the July election. S. Stern read the letter and stated it will be on Channel 80 and in the Weekly Messages (see attached letter).

Steve Stern thanked everyone for their brief reports.

11:40AM Motion: 03:26:11:5
Motion to adjourn
Maker: Joseph Kosiba (213FW)
Second: Amos Lemmerman (405MR)
Motion passes unanimously via visual inspection