

Application of the C of I policy for PIF to building of the proposed dock off the common property of Pine Island

BACKGROUND: The Board of Directors, after a vote at the 2019 membership meeting, agreed to pursue bids to build a small floating dock on Pine Island – a common ground maintained by the association.

Independent of the above effort, a new member of the PIF association, Ryan Gatsby, <ryangatsbygatt@gmail.com> inquired about the possibility of building a floating dock on Pine Island.

After some initial discussion, Ed P (president) and Bob M (Secretary) agreed to consider Ryan's proposal to build a dock and informed Ryan that the association was interested in building a dock for members use and enjoyment.

As a member, Ryan agreed to build the dock without compensation other than reimbursement of expenses, depreciation of tools needed to complete the job and to be reimbursed for gas and miles when building the dock. Ryan proposed a three part interlocking dock in the shape of a "T". He provided pictures of the dock being proposed and discussed his previous experience building docks near a local marina close to his home in NJ.

Approximate cost of materials were \$3,000.

Approximate cost of gas, miles etc. was \$600

The board agreed to hold in reserve an additional \$1,000 for cost over runs.

Application of the C of I Policy - At the 2020 annual meeting Ryan offered to serve as a board member and was elected in as a director. With Ryan now on the board, PIF board wants to apply its C of I policy to the proposed Dock to ensure any perceived conflict would not cause the board or any of its members to violate the C of I policy. Additionally it should be noted that one member of PIF requested the board to make a determination of the transaction to ensure it is not a C of I.

Interested Person – Ryan

Financial Interest – reimbursement by PIF for expenses incurred in building the dam.

Disclosure – Ryan will submit to the board receipts and info to the board of all expenses incurred in building the dock.

Management and Oversight – Since the offer to build the dock was made when Ryan was a member (but not a board member) there was no conflict that needed significant board attention. As a board member, the remaining board members need to determine if this transaction is within the 4 steps in our C of I policy which is restated below:

- I. Determine that the transaction has the following attributes:
 1. Is still in the best interest of the association and its members
 2. The transaction and effort are fair and reasonable

3. The payment to the board member or committee member represents predominantly re-imbusement of expenses incurred and or re-imbusement of wear and tear on tools / vehicle or the like
4. Alternative efforts and transactions would cost the association more than the transaction that is creating the possible conflict.

After review of the four steps above, Bob Melia current Secretary, will ask the current board (Ryan excluded) to re-consider the dock and transaction(s) that will incur with the dock and determine if any conflict exist. If not, the board will pursue the dock as agreed to in the 2019 membership meeting and will pursue the effort in a time frame as allowed considering the Covid-19 pandemic.