

Pine Island Farm Homeowners Association

15th Annual Meeting - Saturday, July 31st, 2021

Meeting Notes

(Attendees)

Board Representation Robert Melia, James Ekberg, Mike Confortin, Phil Elwyn, Ryan Gatsby

Property Owners – Bob and Mary Melia, Phil and Jenifer Elwyn, Mike and Nancy Confortin, Michael & Linda Debenedetto; Renata & Stephen Mayhew; Don Cathy Zheng; Chris & Antonella Russo; Dominik Rzaca; Maria Rinka / Angelo Appollonio, Jim Ekberg, Ryan Gatsby,

Primary Topics / Agenda

Welcome new members

Financial Review

Past due, Collections, Legal

Improvements, Current and Proposed

Building soon? You need Board approval

Annual Dam Report

Proxy Vote

Board Elections

Open Discussion

Roll Call and Proof of Meeting Notice and Appointment of inspectors of election - in the event there is an election

The meeting was called to order at 11:18.

(a) Roll call was taken with attendees listed above. New members were welcomed.

It was deemed there were enough member with membership proxies to substantiate a Quorum.

(b) The notice for the meeting is always provided in annual dues letter and generally occurs during the last weekend of June or mid-July. The meeting for 2021 was delayed until the end of July. Notice of the meeting date was provided via US mail, email, and posting to website. All agreed proper notice of the meeting was administered.

(c) Reading / approval of minutes of preceding meeting

Bob offered to summarize and review the minutes / meeting notes from last year and provided updates through the process. No member objected to the summary in lieu of reading the entirety of the minutes. Last year's minutes were formally approved and available on the website.

Financial Review

Phil reviewed the state of PIF's finances. We noted the following balances in our three bank accounts as of June 30.

Equity Held for Dam Maintenance \$19,652.98

Held for Road Maintenance \$24,346.25

Retained Earnings \$39,027.08

Net Income – 2021 YTD \$10,574.00

Phil noted that because we generally follow cash accounting, some of the retained earnings and net income will be lowered as vendors / contractors are paid for services rendered. That said, the financials are in good shape. Bob noted that we have a large expense pending with the dam. Bob summarized the board's sentiment on the financials where some portion of the available cash to pay for the dam (dam fund and retained earnings) will be used, but board would hold some in reserve for emergencies and to maintain the financial health of the association. Bob deferred the conversation on the dam until later in the meeting.

Phil noted that financials are posted to the website each month

Past due, Collections, Legal

Phil and Bob described a prior legal actions and collections that was taken in prior years so that members understood the efforts the board will make to ensure collections of dues and assessments are made by all members. This included a few litigation efforts (which was rule in favor of the association) where we received a ruling to ascertain past dues / debt. In one case, PIF put a lien on property, foreclosed on the lien and property which forced the property into a sheriff sale. The association bought the plot of ground during the sheriff sale and by re-selling the plot of land, we paid all the old taxes, and with the proceeds from the sale, we were able to pay to the association most of the old debt and fees that the prior delinquent

owner owed to the association. The lot now is in the hands of a good member that is current on all fees.

We do have one lot (Karen Miller) now that has very large outstanding balance (\$16,600 – a good portion of this is late fees) where we will never get the payment. We are 2nd in line as a debtor and the lot and home on it are not worth the mortgage against it. So, it is unlikely we will see any of that bad debt. The membership voted to consider the outstanding balance as bad debt. The board agreed to monitor and once in foreclosure to re-determine if PIF can receive any of the old debt.

With the above write off (to our knowledge – this has been the only time PIF wrote off aged debt. In all other cases, old debt was pursued with legal action and collections received), Phil and Bob noted that only one member remains outstanding in its dues. We are happy to report that this account is now current as full payment was received shortly after the meeting. With that, the association currently has no dues that are outstanding. This is very positive step. Associations like ours generally have difficulty collecting all dues. We are grateful for the confidence the members have in the board and the board is committed to ensuring collections and to use the funds in the best interest of the association members.

Improvements, Current and Proposed

Wildberry road has an easement and a road connected to the PIF private road. This ‘easement road’ is not well maintained (it should be noted that the easement road is NOT PIF property or responsibility). Water runoff from the easement road has deteriorated some of the gravel in our PIF upper part of Wildberry road. The board hired Lester to correct the problem. Lester angled and mounded the road so that water run-off from the easement road would not wash away our road and Lester did correct the wash out to PIF’s Wildberry road that occurred. We believe we have a more permanent fix with this work. In discussions with our attorney, we do not believe that any action against the folks that use the easement road would prevail in our favor.

The other PIF private roads remain in good shape. Mayhem pond drive is developing a ‘dip’ near the top of the road. Lester has been asked to correct this. The path out to the Island is in good shape. The island was recently attended to by clearing out underbrush and reclaiming some of the fishing areas that were overgrown. After a brief discussion members would like to see the island improved and asked the board to continue to maintain the island by removing saplings, underbrush, coastal areas of the island designated for fishing, and woodchipper to eliminate some of the branches and smaller trees. Also asked to see if dead trees could be felled at reasonable price.

Dam.

We have had significant progress on the dam. Our engineer is ready to submit permit applications to the DEC with final plans for correction / fortification of the dam. Our engineer is also assisting and managing the hiring of contractors to meet the engineering design and specifications. He is in progress of finalizing estimates from potential contractors. As a rough (and conservative estimate) he believes the cost of the current design (current design is to put a secondary dam between the current dam and South Gilboa road with concrete walls along both sides of the spillway to support the new dam and prevent leakage) is between \$125 k and \$150 k. Once we receive estimates with higher confidence (these are preliminary), the board will assess members (there are 38 members / lots with a pro-rata assessment per lot) for this effort and will use part of our reserves to keep assessments to a manageable level. Construction would begin no earlier than July of 2022. Other designs being considered were shotcrete and sheet piling. The advantages of the recommended design of a new dam vs these alternatives are:

- This would be a permanent fix where other solutions sometimes last between 10 and 20 years
- Final price tag would be similar for both options
- Would require less dewatering
- May prevent some diagnostic work. For example, bore hole analysis and drainpipe for lake might not be needed with recommended approach

Snow removal – Last year we had many storms / events with 3+ inches fell. PIF contracted to have snow removal at one price for the entire winter regardless of the number of plows needed. The fee for snow plowing for 2022 will go up by 5% to 10%. It may go up by more if we plow Mayhem drive. In past years we did not plow this as no homes were built on this road and the members on that road did not use the road in the winter. We will reach out to those home owners again this year to determine our course of action. We believe we will NOT need to raise dues and can absorb these higher costs for 2022.

A project that was approved in the past was a floating dock. With supply chain issues and Covid, along with a growing family for the Gatsby's, this effort was delayed in 2020 and 2021. Bob put forth a resolution to devote available funds originally earmarked to the floating dock to be used for the dam. After learning the overall cost of the floating dock would be very reasonable, members asked the board to manage to both projects (dam and dock) if possible.

A pavilion and fountain had also been considered but never approved. Members asked the board to continue and accelerate island clean up as described above in lieu of either a pavilion or fountain.

Building soon? You need Board approval

The association is experiencing a boom in construction with several homes in progress and several members that hope to build soon. As a reminder, there are specifications (see

PIF rules and regulations) for driveways and for culverts and drainage pipes under driveways. One point of contention in the past is when a drainage pipe is too small to handle water flow during a storm. This can have the effect of topping over the driveway and washing out the private driveway or the private road connecting to the driveway.

Proxy Vote

The board would like to thank members that provided a proxy vote. This proxy vote is needed to comply with some of the more technical jargon in the bylaws. The proxy enables us to reach a quorum at the meeting and thus enabled the election of board members.

Board Elections

Bob noted that Ed P., recently sold his lot and is no longer eligible to serve on the board. Bob noted the many accomplishments under Ed including Accounts Receivable, Website, etc. Since the general membership meeting was only a few weeks away, and his term was expiring in June of 2021, we decided to hold his seat open until the general membership meeting. With that, two members (Dominik and Chris) agreed to serve on the board. Both were unanimously approved to serve on the board. As such the current board is listed below:

| Current Board Members | Expiration date of Term |
|--|--------------------------------|
| Bob Melia - President | June 2023 |
| Philip Elwyn – Treasurer | June 2022 |
| James Ekberg – Secretary | June 2022 |
| Ryan / Shannon Gatsby (Ryan / Shannon represents one board member) | June 2023 |
| Chris Russo – board member | June 2024 |
| Mike Confortin – at large board member | n/a |
| Dominik Rzaca – at large board member | n/a |

Open Discussion and New Business

Relator – Bob agreed to create a one pager for realtors and may post to web site. This may help realtors that are trying to sell a lot or home on behalf of members

Grant – Bob submitted a grant to Robinson Broadhurst. It is unlikely to succeed but worth trying. Bob inquired to DEC about a possible grant but at the time only hazard class C dams were being considered. (We have a hazard class A dam)

Renters – The bylaws clearly contemplated renters and leasing arrangements. Membership asked that anyone that rents to please instruct tenants not to litter, be respectful of noise late at night and pick up litter after renters leave. One house not part of our association has had a few disruptive renters this summer

Fish – The pond was stocked with bass and trout. Unfortunately, a handful of the trout died soon after they were released into the pond.

Signs – The board authorized new signs on all roads and the PIF path. They are made of a plastic composite and should do well in harsh weather and winter

There being no new business, the meeting was adjourned at 12:40.

Respectfully submitted

Bob Melia – President of PIF.