

## Pinecrest Homeowners Annual Meeting Minutes

Meeting date: 12 May 2013

Meeting place: Pinecrest Lodge

A social hour was held prior to the meeting.

Board Members in attendance: Nancy Eichenberger, President; Deb Daly, Treasurer; Walter Ducharme, Dennis Majikas, Bob Brooks, Dave Blad Directors. Associates Josephine Amato and Jim Ellis. Not present, Bob Cronin, Clerk, Brandon Buoniconti Associate. Brian Corner, member, took meeting minutes in the absence of the Clerk.

### **Call to Order**

Having a quorum and meeting was called to order at 3:03 p.m.

32 paying members were in attendance

### **2012 Annual Meeting Minutes**

Prior to the beginning of the meeting the minutes from 2012 were displayed on the screen for everyone to read.

The meeting began with a review of the 2012 annual meeting minutes. There we no questions, comments, changes. Jim Garrity made a motion to accept the minutes, Kathy Airoldi seconded. Motion passed.

### **Treasurer's Report**

#### 2013 Budget

Treasurer Deb Daly presented the 2013 budget noting that it was bare-bones and deficit spending. First were the past year's income and operating budget followed by maintenance and improvements. There was a question about dock fees, dock fees are charged to a household with a dock on the pond this covers additional liability. As there were no other questions or comments, Jim Garrity motion to accept the 2013 budget, Kathy Airoldi seconded. Motion passed.

#### Proposed 2014 Budget

The proposed 2014 budget was presented by Deb Daly. The 2014 proposed operating budget estimated expensed were listed as \$15,187.00, an approximate \$200 increase over 2013. Next, the 2014 maintenance budget was presented with an estimated \$500 for maintenance and improvements. There was some discussion of potential elimination of some line items: the beach Porta-Potty, car stickers, parties, beach fee, beach signs, and lien recording fee, in order to save money.

Mary Lou Ingemie made a motion to maintain the Porta-Potty, seconded by Brian Corner. Motion passed. Bill Holman made a motion to drop the stickers for the cars, seconded by Mary Lou. Motion passed. Jim Garrity made a motion to accept 2014 proposed budget, seconded by Mary Lou Ingemie, Motion passed.

#### 2014 Capital Plan

2014 capital plan was presented by Deb Daly. Unfortunately the Money Market and other investment information was inadvertently omitted from the presentation. The Treasurer noted that the report is available at every Board meeting and is posted on the PPOA webpage. **The March 2013 report is given below.**

Bill Holman made a motion to send the 2013 Treasurer's report to the attendees including the capital plan for 2014. Seconded by Jim Garrity. Motion passed. Action item for the board is to get the 2013 Treasure's report out to the attendees.

### **Announcements**

The Spring cleanup is scheduled for May 19 at the beach. Rain date is 26 May. Start time is 9AM.

Jim Ellis provided a report on geese in the area noting that he treated one goose nest by adding the eggs. He urged residents to report any nests that they see but to not disturb the geese so he could take care of the eggs as he is trained to do so.

Brendon Toupense discussed the website and how to sign up for notices via email and post items. The board noted that sending information through the post office costs about \$200 per mailing. If members signed up to receive information via e-mail USPS postage costs will be reduced.

### **Finished Business**

President Nancy Eichenberger went over finished business.

Barn at 80 Bemis Road was sold.

Lodge security system was updated and resolved false alarms

Some lodge maintenance was done during the year including pumping the septic tank. Brian Corner noted that access to the tank clean out is well below ground and should be brought closer to the surface. The Board agreed to take it as an action item.

Nancy reported on Cushman pond dam evaluation per State requirement. Several bids were requested and only Tighe and Bond submitted an estimate. The total cost of the work was \$10,800. Tighe and Bond will provide a baseline report on dam status in June 2013. The report will include options to maintain the dam. Kevin Hazel noted \$4900 was spent in 2009 for a phase I visual inspection of the two dams. As part of dam maintenance a tree within 20 yards of the dam was removed by Bob Brooks. One tree remains to be removed but it's complicated with National Grid wires. The Board will have to take action to get the tree removed.

The PPOA welcome package now includes renters.

A legal review of existing covenants is being done by Brekka & Brekka. It was noted that the covenants must be update by June 2014.

Work was done at the beach to expand the sand area and clean out some of the weeds and grass that attract geese.

The Cushman pond weed treatment project was reported by Deb Daly. In August 2011, 10 acres at the center of the pond was treated for lily pads. In the Spring of 2012, milfoil and lily pads were treated along the shoreline, approximately 10 acres. A total of \$13,000 was spent on treatment. Previous treatment of the pond was in 1997.

Jay Began reported on beaver activity and control. Concluded that PPOA should leave existing dams alone.

### **New Business**

#### 2015 Annual Fee

The annual fee for 2015 needs to be established, the current fee is \$150. No fee amount was recommended by the Board. Bill Holman suggested \$200. It was suggested that the discussion be put off until later in the meeting after Walter Ducharme talks about his feeless project. The Board decided to discuss the 2015 annual fee at the end of the meeting.

Lodge Rental Lodge rental revenue from members is decreasing. There was a suggestion by the president that rental of the lodge be open to non-Pinecrest members for meetings such as school groups, professional groups, or nonprofits. During discussion Kevin Hazel suggested a separate rental policy for non-owners competitive with other local venues. Walter Ducharme suggested limiting rental to professional meetings and nonprofits. Dennis Majikas noted that allowing lodge rentals is in conflict with the PPOA charter in that lodge is a private facility. Kathy Airoidi agreed with Walter that it would be okay to rent to civic groups and other nonprofits.

Bill Holman made the motion to let the board decide which outside group with a fee to be determined by the Board. Seconded by Jim Garrity. An amendment to the motion was made by Kevin Hazel for a separate rental agreement and a trial in one year. Jim Garrity seconded. Motion passed for a one-year trial period to allow non-PPOA civic and nonprofit groups to rent the lodge on a case-by-case basis. A fee structure for these groups will be established by the Board.

#### Large Swing Set and Slide

The president noted the large swing set and slide is a liability insurance exposure. Removing the slide and swing set will lower insurance rates by several hundred dollars, but the exact amount reduced was unknown. The board wants to know if PPOA should remove or keep the large swing set or slide. During discussion Kathy Airoidi suggested keeping the swing set but getting rid of the slide. Bill S was in favor of keeping both the swing set and slide.

Bill Holman made a motion to keep the swing set and slide and revisit the question next year, seconded by Jim Garrity. Motion passed.

The Board took a moment to recognize Walter Ducharme, who is leaving the Board and Pinecrest, for all the great work he did over the past many years. There was a standing ovation for Walter and his wife Joan. Walter said a few words thanking everyone for their friendship and support.

#### Open Board Positions

##### *Board Director positions*

The president noted that these are the voting members of the Board and as such attendance to monthly meetings is strongly encouraged, if not required, in order to accomplish the Board's business.

Walter Ducharme is stepping down, and Deb Daly, Dennis Majikas and Bob Brooks terms are up.

The floor was opened for volunteers to step up to Board Director positions.

Kathy Airoidi nominated Gail Orchiuch, Mary Lou Ingemie seconded, passed.

Dave Blad nominated Bill Holman, Kathy Airoidi seconded, passed.

Nancy Eichenberger nominated Deb Daly, Dave Blad seconded, passed.

Bob Brooks nominated John Day, seconded by Jim Garrity, passed.

Nancy Eichenberger nominated Bob Brooks, seconded by Dave Blad, passed.

Kathy Airoidi nominated Dennis Majikas, seconded by Dave Blad, passed.

##### *Associate Members.*

Supporting, non-voting positions.

Kevin Hazel said he would serve, Deb Daly seconded, passed.

Sherry Brooks nominated Bambi Azarian, Mary Lou Ingemie seconded, passed.

#### New Beach Swing Set

Nancy Eichenberger reported on efforts to collect bids for a new beach swing set. Nancy presented information sent by Board member Bob Cronin, who could not attend the meeting, on the Frolic 2 from CedarWorks (Rockport, ME). CedarWorks is the company who provided the old swing set. Nancy presented information on the Dream Jungle Gym from Backyard Adventures (Westminster, MA). A list of attributes and price was presented side-by-side for members to review. The total cost of the Dream Jungle Gym was \$2744, and included installation and shipping. Total cost with installation and shipping for the Frolic 2 was \$6,440.

During discussion Mary Lou Ingemie noted that the Dream Jungle Gym has a cloth cover that may not last very long. Kevin Hazel suggested obtaining one more price and let the Board to decide.

Mary Lou Ingemie made a motion to vote at this meeting, Gail Orchiuch seconded. Motion passed.

Mary Lou Ingemie made a motion to purchase the Dream Jungle Gym, Lisa Ledger seconded. Motion passed. The Dream Jungle Gym will be purchased and installed as soon as possible.

#### Conservation Restrictions

The President presented her investigation into obtaining state conservation restrictions for the open land held in common by Pinecrest. In her discussions with Mr. Jim French of Mass DCR, it was estimated that Pinecrest may receive a one-time payment of \$60,000-\$70,000, and a slight reduction in taxes, and protection for PPOA open space land. The funds would be added to investments in order to reduce the voluntary maintenance fee.

During discussion Mary Lou Ingemie said she was against seeking conservation restrictions because of the extra use of the land by the public. Kevin Hazel said he was not in favor of adding state restrictions to the common land. Kathy Airoidi is also not in favor. Dave Blad and Josephine Amato indicated a concern over allowing hunters onto the land.

This was presentation of information by the president who was seeking a straw poll on whether to continue investigation of conservation restrictions. It appears that most members do not favor conservation restrictions for the common Pinecrest land because of the potential influx of the general public.

#### **Convents and Proposal**

The covenants are up for renewal June 2014. The Board, with Brekka and Brekka legal counsel, have been discussing covenant changes. Walter Ducharme presented a proposal to change the covenants and the PPOA structure so that the PPOA has enough income to greatly reduce or eventually eliminate fees charged to residents to support PPOA (see flowchart below). The proposal has three main threads, 1) change the deed fee in the covenants from a set \$18 to a variable fee based on PPOA income needs and voted on by members (much like the current voluntary fee), 2) increase investments so that enough interest is earned to cover an annual zero-base operating budget (necessary investment amount estimate as of May 2013 is at least \$300,000), 3) establish a capital plan (looking 3, 5, and 10 years out) and re-investment plan. Main sources for added income include the deed fee, selling select pieces of land, and turning the 61B common land over to the State for conservation restriction (see discussion above) as watershed land. Walter emphasized the proposal is a long-term plan to keep PPOA viable.

The proposal time-table was described briefly. As proposed, the Board would have to complete draft covenants and investment strategy in time for an October special meeting at which time the members would vote on the proposal. An October special meeting will give enough time to draw-up final documents for the 2014 annual meeting (anticipating a new March annual meeting date), and submission of the new covenants by the June 2014 deadline.

During discussion several members asked how deed fee payment would be enforced. The consensus was that other than a property lien there is still no mechanism to force property owners to pay the fees. There is some risk that some PPOA members may not pay. However, because the deed fee is required and not voluntary, there is a stronger inducement to comply.

Kevin Hazel asked if the billing cycle could be changed to better match State and PPOA fiscal years. The proposal includes a shift in billing to March.

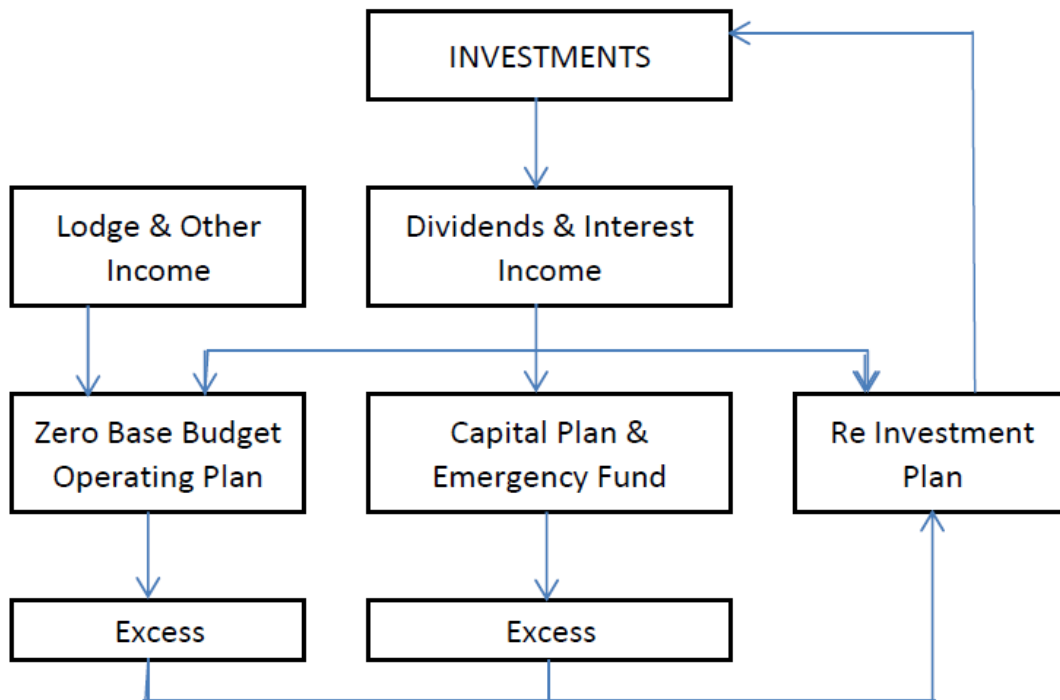
After discussion, the general feeling among attendees was that changes to the covenant are needed, and language should be included giving a variable deed fee structure with Board oversight and limitations on how much the fee may be increased. The Board will work along the schedule laid out by Walter and an October special meeting will be planned.

With discussion of the covenant changes completed, Brian Corner made a motion to keep the voluntary membership fee at \$150. Dennis Majikas seconded. Motion passed.

Bill Holman made a motion to revisit the \$150 membership fee amount at the October meeting. Second by Dave Blad. Motion passed.

President Nancy Eichenberger made a motion to adjourn. Brian Corner seconded. Motion passed and the PPOA 2013 annual meeting adjourned at 6:21PM.

## PPOA NO-FEE PROPOSAL PROCESS



**MONTHLY TREASURER'S REPORT as of 3-31-2013**

ACCOUNT	BALANCE	PORTFOLIO TOTAL	FYTD INTEREST
GFA Checking	\$3,590.27		\$4.21
GFA Savings	\$7,015.51	\$10,605.78	\$74.52
Merrill Lynch Money Acct.	\$333.76		
Merrill Lynch Cash Balance	\$3,415.03		
Merrill Lynch Investments	\$212,549.68	\$216,298.47	
Total		\$226,904.25	