

POALH Board of Governors
Meeting Minutes
July 17, 2023

The virtual and in person meeting was called to order at 7:00 pm by Laurie Dworak at 15 Lookout Drive, East Haddam, CT and with Google Meet.

Board Members Present in Person: Lynn Crisci, Laurie Dworak, Hema DeSilva, Dave Edgington, Evelyn Passan, Kathy Sabo & Phil Sabo

Association Members in attendance in person: Lisa Hober - Treasurer, Tish Magao - Budget Committee, Lisa Sobestanovich - Budget Committee, Keith Marvin - Budget Committee, Bill McKane

Association Members in attendance virtually: Bryan Smith - Budget Committee

Minutes: *Dave Edgington made a motion to waive the reading and accept the minutes of the June 12, 2023 board meeting. Lynn Crisci seconded. A vote was held. All board members present agreed (7).*

Public Comment: Bill McKane brought AirBnb's to the attention of the board. He feels that it is a business and 1099's are issued. He pointed out the rules and regulations of the association do not allow businesses. There was a recent issue with renters who were very unruly and causing havoc. The owner of the house signed off on belonging to the association when the home was purchased thereby agreeing to the rules and regulations of the POALH. This is a business that is advertised. Bill spoke to Jim Ventres from the Town of East Haddam about it as he recently went to a meeting on this subject with other towns. It is a little harder for towns but because we have a separate tax and are an association that has rules we can put an end to it. There are several AirBnb's around the lake which will grow every year as these businesses buy more cottages and it will get out of hand. It is in the bylaws that you cannot have a commercial business. Bill thinks the association should retain some counsel pertaining to this situation. Bill left his contact information with Laurie Dworak. Keith Marvin feels there is a fine line between a commercial business and an AirBnb. We can limit renting. It needs to be evaluated soon. You can complain to AirBnb.

President's Report: Laurie Dworak indicated that because she is the budget chair and acting board president, when the budget is presented Laurie will step down as president and Evelyn Passan, vice president, will run the meeting. After the budget vote Laurie will resume presidential duties. Laurie Dworak will not vote on the budget. Laurie reported a member wanted to rent the pavilion but it was already reserved on the date she wanted. She asked about the use of pop ups instead. The association does not let members use their equipment but the member can put their own pop up on the beach. Complaints keep coming in about the parking passes and we are aware of it. Phil Sabo is monitoring the parking right now as best he can and plans on picking a day to monitor the parking lot all day which was ok with the board. The board will look further into remedies on this topic. Laurie reported that she and Lynn Crisci will be going through the insurance policies. The answer to the question posed by the board last month as to why we have workmans comp is the following excerpt from the policy: "Voluntary compensation for all board members and committee members working on behalf of the association in their official capacity." "Any volunteer working on behalf of the association via an official motion for the board of directors. This applies to activities for which a specific license or training is not required." Lynn and Laurie will discuss the policy further this Thursday. Laurie also indicated that the insurance policies are now on the shared drive and encouraged the board to read them. Laurie Dworak called for respectful debate during the meeting with kindness, decorum and respect.

Financial Reports:

- **Tax Collector:** Lynn Crisci reported that we are in tax season. There has been \$89,908 collected so far representing 44% of the taxes.
- **Treasurer:** Lisa Hober reported she met with Liberty Bank and was able to raise the money market accounts to a yield of 3.4% from 0.1% on both accounts. Lisa is still working on getting a credit card using our EIN number. Thus far we have spent \$28,628.86 with \$20,000 of that being a transfer to allocated funds. Kathy Sabo inquired about the overage in the last fiscal budget on rubbish removal of approximately \$1,400. It was discussed that it could be due to the overage of diesel fuel charge due to high gas prices or extra for a new home. Lisa will run a report to look for a discrepancy.

Committee Reports:

- **By-Laws:** Nothing to report.
- **Budget Committee:** Evelyn Passan, vice president, took over the board meeting at this time. Laurie Dworak, budget committee chair, gave an overview of the budgeting process which includes meeting with all POALH committee chairs and evaluating every expenditure. Numbers presented in the budget by the committee were all unanimous. The proposed operating budget for 2024-25 was discussed at length. Income: There is a decrease in taxes due to an increase of projected monies being received from the Town of East Haddam and bank interest so that we do not go over an increase of 2.5% which would incur a tax implication with the state. Expenses: Properties got a \$2,850 increase. The beach raking stipends were removed from this line item. A quick conversation took place regarding the timeline for paying town taxes. Technology went up due to an increase in Google and McAfee bills. Communications decreased due to less printing of newsletters taking place. Social Events went down \$2,000 due to revenue events brought in. Hospitality stayed the same. Insurance has been budgeted for \$30,000. The bill has been received for this year which is due July 21st which Lynn & Laurie will give a complete once over. This year's bill is almost \$29,000. The association is already underbudgeted this year on this. For the 2024-25 budget the

\$30,000 should be a good amount after the policy is reviewed and some items which are not needed are removed to bring the bill down. The Financial Review bill always comes in at \$2,500 and \$2,700 is always budgeted. The budget on this line item was increased to \$3,000 for 2024-25. Some board members suggested that the financial review provider come and give a presentation to the board. The process of the financial review report was discussed. Legal Fees were left the same at \$4,000. Bank charge line item has nothing. Public Safety went up to \$1,200 due to the AED's having to be maintained on an annual basis. Parking passes will be needed for 2025-26 which has been noted. Real Estate taxes budget stays the same at \$4,000. Stipends are set by the board and they are what they are. Just a few typos need to be corrected on the budget sheet where BOG should appear under the "responsibility of" column with the names of who receives the stipend put next to the stipend name. Waste Management line item was increased to \$50,000. Waste management for 2022-23 has already exceeded what is budgeted for this current fiscal year. This reasoning was discussed in the treasurer's report. Lake Quality budget was increased \$750.00. Lake Quality with the addition of Lake Water Testing and Geese Mitigation is reimbursed up to 50% of what is spent on the watershed. The reason for the increase is for the weed treatment which will go farther north which will cost more. Other expenses include the luminologist, more stream testing, data collection reports. Lake Water Testing stayed the same. Capital Reserve will get \$15,000. Putting aside any more of that would bring us over the 2.5%. Geese Mitigation's budget stayed the same. It was reported that it is a federal offense to scare the geese while they are molting between June and August. This budget committee provided a budget to allow for mitigation between January and March during the nesting season. Website Expenses increased to \$1,000 as it is over budget for this fiscal year already. The budget committee will try to nail down the specifics on the website spending for the future as they do not have a full understanding of the expenses as no report was given by the webmaster.. Utilities went up just \$500.00 Utilities covers CT Water, Eversource & Xfinity. Tax Collector Expenses went up \$300. Recommendations: The budget committee recommended the creation of a property asset committee. Three board members felt that it was up to the property manager to head up this task and let everyone know that this task has already been started. It was noted that there was a capital improvement board committee a while back which has some information/list that may be useful with this task as well. It was noted that there are two volunteers who may be able to help Phil in this task. The second recommendation is that any contract over 10K have two board members or one board member and a committee chair negotiate a contract. It was noted that anything over \$5,000 goes through the whole board anyway. The budget committee suggested that it really is a legal obligation that there is oversight. It was suggested that it should be the committee chair and a board member, not two board members. It was also suggested that the other person should have some knowledge or participation in or oversight on whatever the nature of that contract is. The objective is to have two people negotiating a contract over 10K. Another purpose of this policy is to retain information if one person leaves. It is a question that the budget committee would like to ask the membership and to vote on. One board member suggested that the budget committee is creating a procurement policy. It was noted that you would want to make sure one of the individuals is the best qualified person. Also mentioned was the fact that even though the current board would not use this policy to control a committee chair a future board might. The budget committee will reword/change the verbiage on the motion. It was noted that this policy makes it very hard for a volunteer. It was mentioned that this policy would in fact protect the volunteer. Procurement policies are pretty boiler plate but it was suggested that we have our attorney rubber stamp the policy before the membership votes on it. The final recommendation is that all people with stipends have a job description outlining duties and responsibilities along with an estimate of their time commitment. It was noted that the board already has this project being worked on and will be discussed in the fall. Final thoughts by a member of the budget committee were that it is important to have a procurement policy. *Hema Desilva made a motion to approve the 2024-2025 POALH operating budget as presented by the budget committee with a total budget of \$228,100. Dave Edgington seconded the motion. Lynn Crisci, Hema DeSilva, Dave Edgington, Evelyn Passan and Kathy Sabo voted in favor of the motion. Phil Sabo voted no. Laurie Dworak abstained. The motion carries.* At this time Evelyn Passan stepped down as president.

- **Dam Committee:** Dave Edgington reported that a meeting of the dam committee is coming up soon with the engineer to go over recommendations.
- **Events:** Laurie Dworak reported Lynn Butler is taking over as events chair. Dave Edgington and Lisa Sobestanovich will get together to discuss the Lake Hayward Days carnival. Evelyn Passan stated that all board and events information should be posted on the POALH facebook page only. Not the Lake Hayward facebook page. Laurie Dworak asked that shaming posts not be posted on the Lake Hayward facebook page. Bands already know not to post our private functions on facebook or their website. It is hard to control right now. Evelyn requests that no board member post anything on the Lake Hayward facebook page that has to do with POALH. Evelyn has had a request from an event chair to use the PA system. She does not feel that is wise. She and Phil have set up an old speaker in the events closet with a wired microphone to use for events like trivia night, night at the races, etc. Phil Sabo reported that the pop ups that were ordered were put together by he and Dave Edgington so they are ready to go for POALH functions. There are a total of four pop ups. Evelyn Passan has the movie camera.
- **Geese:** Evelyn Passan reported that someone saw geese on first beach with babies but she has not seen them.
- **Lake Quality:** Laurie Dworak reported Corrinne Halliday reached out to DEEP regarding the holdup on the permit. DEEP is understaffed so that is the holdup. We are still up in the air regarding a treatment date.
- **Nominating:** Lisa Hober reported there is interest in all four board positions. The committee put July 22nd as a deadline but will be conducting an interview on July 23rd. The board was ok with that moving forward.
- **Properties:** Phil Sabo reported that things are looking good. Phil put up no fishing signs on the dog beach. Phil is in maintenance mode right now keeping up with everything. Hema DeSilva reported that there were some ruts in the sand on third

beach due to water runoff. There is a sand bag there. Phil Sabo asked Hema to get a couple of people together with shovels and rakes to smooth it out.

- **Technology:** Laurie Dworak reported that the PA system cheat sheet will be produced eventually. Dave Edgington will drill out the locks for the items that we cannot find keys for and replace it with combination locks where he can.
- **Water Testing:** It is being performed routinely.
- **Other:** Communications - Gary Cohen & Rachel Boone are doing a good job. Voting Registrations - It was questioned whether property owners and renters of the same property can vote during meetings. This topic will be discussed further. It was noted that we as association members can vote on certain East Haddam budgets, etc even though we do not live there year round. Minutes - Laurie Dworak asked Kathy Sabo to post the recordings of all board meetings on the website until we can determine if it is required or not.

Old Business

- **AirBnb:** Dave Edgington wanted to make sure we get AirBnb on the agenda for discussion. Laurie Dworak concurred as she has been getting some complaints. There are some ideas floating around and brought up the concept of estoppel. Lynn Crisci explained estoppel as a legal principle. Discussion was had regarding Robert's Rules and estoppel and how those principles fit into this situation. Also that it goes against our charter. The board needs to have further discussion about this and get counsel from an attorney. It was suggested that people need to call the police when renters become unruly. It was also suggested that the AirBnb renters register with the board.

Dave Edgington made a motion to adjourn the meeting. Evelyn Passan seconded. A vote was held. All board members present agreed (7).

The meeting was adjourned at 9:46 pm

Next board meeting will be a hybrid meeting on Monday, August 7, at 7:00 pm at 15 Lookout Dr., East Haddam, CT and via a Google Meet.