

**UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021**

Attendance

Becker, Heather	E	Jones, Jim	E	Zielinski, Gary	P
Culhane, Margie	P	Klimek, Kylie	P	Zemsky, Eric	P
Decina, Dennis	P	Manzo, Rene	P		
Donoghue, Paul	P	Morrison, Debra	P	Open seat	
Engleman, Lauren	P	Nicosia, Jessica	P	Open seat	
Grayson, Doug	P	Quirk, Andrew	P	Open seat	
Gianniotis, Terry	P	Sarnowski, Karen	E	Open seat	

P = Present E = Excused A = Absent R* = Remote – non-voting/quorum

Attorney Present – Chris Miller Y/N

The board met virtually via Zoom, and with a quorum present, the meeting was called to order at 7:17pm by Dennis Decina.

**A motion was made to approve the November 2021 Regular Meeting and Executive Session Minutes at 7:19pm by Lauren Engleman, seconded by Gary Zielinski.
8 In Favor, 0 Opposed, 3 Abstained**

**A motion was made to approve the November 2021 Easement Budget Meeting Minutes at 7:19pm by Terry Gianniotis, seconded by Andrew Quirk.
7 In Favor, 0 Opposed, 4 Abstained**

**A motion was made to approve the December 2021 Regular Meeting and Executive Session Minutes as corrected at 7:22pm by Paul Donoghue, seconded by Doug Grayson.
7 In Favor, 0 Opposed, 4 Abstained**

Correspondence:

1. 709 Lakeshore – Heather will follow up with block wall issue that wraps around trees on Parklands.

**A motion was made to approve all specials from 2021 that are in good standing to join the POA in 2022, at 7:45pm by Paul Donoghue, seconded by Andrew Quirk.
12 In Favor, 0 Opposed, 0 Abstained**

UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021

Membership Secretary Report:

Current Membership as of end of December 2021 (compared to 2020 numbers in parentheses)

POA – 715 (655)

Double Docks – 10 (12)

Tenants – 19 (12)

Specials – 11 (9)

Total POA – 755 (688)

Total Easement – 1618(1592) – Easement Only - 863(904)

We remain at 100 POA memberships over our budget goal of 655 (includes Tenants, Specials & Double Docks), which is great! It's been a banner year and the office never really "slowed down" this summer until after the beach closed. Unpaid POA members (those with docks) have received notifications, and most have paid. There are a few that we will ask for legal correspondence to address the situation.

As is pointed out in the Treasurer's report we have collected \$111,999.55 in past due Easement amounts this year. Last year, in 2020 we ended the year with a total of \$104,366 collected so we did exceed that amount for 2021. But, also, as mentioned by the acting Treasurer, the amounts of past due are lessening and we will not have such large revenues coming in the future.

One other interesting note, while our POA numbers are high, our Easement Only members has fallen off... we had 40 fewer easement payments than 2020. Those 40 properties could have gone from Easement only to POA and that is the reason since POA membership is 67 members higher than 2020 and Easements are 26 less than prior year, so it could be simply the flip. We can track these numbers next year for changes.

Treasurer's Report:

UGLPOA December 2021 Non-treasurer report Overview:

Not having a treasurer, as a past treasurer, below are Paul's comments on our December 2021 financials.

As approved by the board in December, all Easement and POA sinking/reserve funds were funded at 100% for 2021. The P&L and balance sheets for each reflect the funds move. Both the Easement and the POA were able to finish the year within budget. There are several budget line items that ran over, but net income exceeded net expenses. For

UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021

the easement, we can utilize the contingency fund to offset the budget items that went over.

We finally received the draft 2020 audit. Upon the Board's approval I will ask the auditor to issue a final copy which can be put on our website and issued to easement holders and POA members.

We continue to have funds at risk due to exceeding FDIC insurance limits. We've had this issue for several years, across multiple treasurers. It's not just the treasurer's issue, we are all fiduciaries, and the entire board is exposed if there were to be an issue. Once we have a new treasurer on board, this should be a priority.

December 2021 Easement and POA financial statements are below.

EASEMENT:

We've received 80% of the annual easement fees and an additional \$112K in easement fees from past years, putting us at 105% of budget for collections for the year. Allowable spend for discretionary budget items is at 100% of budget. We have a net positive cash flow (income less expenses) of \$17,330.

In past years, prior year past due easement collections have made up for any shortfall in current year easement fees received. As has been predicted for the past several years, as we collect most of the collectible past due amounts, the amount collected for past due accounts will decrease each year. We are seeing this happen this year. Going forward, this makes the collection of current easement payments due in a timely manner even more critical.

As covered last month, several categories exceed their budget, including real estate taxes, weed control, parklands expenses, payroll, and as of December, dam maintenance, utilities, and legal. We received approval from the easement holders to increase real estate taxes, utilities, and payroll budget amounts for 2022. Legal was over due to the issues with 111/115 Point Breeze drive, which were discussed at the annual public easement budget meeting in November. The easement holders approved funding additional legal action, if needed. We know that weeds and parklands can be highly variable due to environmental conditions, that is one of the primary reasons we have a contingency fund. Payroll was over due to the need to increase payrates to retain key personnel. To bring the budget line items into balance, I recommend funds be transferred as below to bring the budget into compliance.

UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021

A motion was made to move easement budget line-item overages as follows to the contingency fund:

- **Dam Maintenance and payroll \$961**
- **Utilities \$128**
- **Real estate taxes \$1,124**
- **Weed control \$4,752**
- **Parklands expense \$8,648**
- **Payroll \$4,363**
- **Legal for minor actions \$7,012**
- **For a total of \$26,988 to be charged against the Contingency fund,**

by Paul Donoghue, seconded by Rene Manzo.

12 In Favor, 0 Opposed, 0 Abstained

The above adjusting journal entries are accounting in nature and will not impact the Easement P&L or balance sheet. The Board should look at starting to pay off the dredging loan to the State of NJ. We have approximately \$800,000 due on the loan and are paying 2% interest. We are not earning 2% on our investments. Starting and even accelerating payments on the loan would save the association money. A through cash analysis would need to be done to develop an accelerated payment schedule. Once we get a new treasurer on board, this should be a priority.

POA:

We are at 115% of the budgeted POA members including tenants, specials, and double docks with 100 paid memberships more than we budgeted for, an additional \$27,500. We have received only 11% of income from rentals due to COVID, but have not incurred significant expenses for clubhouse and steward payroll. With total revenue at 108% of budget, and expenses at 100% of budget, we have an unaudited net income of slightly over \$17K. We charged \$8K against clubhouse maintenance for the repaving of the parking lot that was not related to the bulkhead. Despite the lack of rental income, the 100 extra memberships and the reduced Clubhouse payroll expenses allowed us to pave the parking lot and complete many Clubhouse improvement projects within our total budget.

Clubhouse maintenance is at 193% spend of their annual budget. We moved \$4K to the capital fund as it is for replacement of a heat pump and installation of the ionization system for improved air quality. The board allocated an additional \$5K at the October

**UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021**

meeting to Clubhouse maintenance. The Board also approved repaving the Clubhouse parking lot. There were a lot of maintenance projects including complete interior repainting that were accomplished this year. Clubhouse maintenance was also hit with high snow removal costs earlier in the year.

We had several other budget items go over budget: accounting \$300, office \$73, legal \$769, beach \$4,085, and admin payroll \$2,680. Admin and beach payroll have had their budgets increased for 2022. Beach payroll has consistently run over and needs to be more carefully monitored in 2022. Budget line items that were underspent include beach expense at 53%, clubhouse payroll 39%, steward payroll at 12%, and part time employee at 60%.

A motion was made to approve the December 2021 POA only financials at 7:53pm by Paul Donoghue, seconded by Rene Manzo.

12 In Favor, 0 Opposed, 0 Abstained

A motion was made to approve the 2020 UGLPOA Audited Financial Statements at 7:56pm by Paul Donoghue, seconded by Jessica Nicosia.

12 In Favor, 0 Opposed, 0 Abstained

Debra Morrison shared her research on account options that could improve the FDIC insurance coverage of POA and Easement monies.

A motion was made to move to Executive Session at 8:09pm by Paul Donoghue, seconded by Rene Manzo.

12 In Favor, 0 Opposed, 0 Abstained

A motion was made to exit Executive Session at 8:35pm by Paul Donoghue, seconded by Debra Morrison.

12 In Favor, 0 Opposed, 0 Abstained

Committee Reports:

A) Activities: Great things on the horizon for 2022. Heather will be working w/Andrew on hosting "Fun Friday's" the last Friday of each month, along with the activities listed on the attached calendar.

**UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021**

B) Beach: no report

C) Boathouse: no report

D) Clubhouse: no report

E) Dam:

With the lake frozen and harder to regulate, it is moving between 12-14", which is right where we need to be.

F) Bylaws, Rules & Regulations:

⊙ Upon a closer review of the bylaws, it was found that the threshold for requiring competitive bidding is set in the bylaws. Therefore, the motion made at the December board meeting to change the bidding threshold from \$2,000 to \$3,000 is not valid. It is suggested that this change be made via a bylaw change to be voted on by the members. From the bylaws, under Article 6, Section 2 – Standing Committees and Their Duties/Functions:

- Executive Committee: The Executive Committee consists of the President, Vice President, Secretary, Treasurer, and Membership Secretary. The Executive Committee shall plan the agenda for all board meetings and general meetings and meet regularly between board meetings. All committees must submit their budgets for the next calendar year to the Executive Committee in January. Any emergency expenditure must first be submitted to the Executive Committee in advance of a scheduled meeting. **All expenditures over \$2,000.00 shall require a written bid by at least two suppliers.** All financial arrangements and expenditures must be presented to and approved by the Board.

A motion was made to rescind the motion on bidding from the December 14, 2021 meeting as it goes against the bylaws at 8:42pm by Paul Donoghue, seconded by Rene Manzo.

12 In Favor, 0 Opposed, 0 Abstained

G) Docks: no report

H) Dredging: no report

UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021

I) Easement:

- Paul Donoghue has resigned as Chair effective with the January 2022 meeting.
- See vote on Specials after Correspondence, above

J) Entertainment: no report

K) Environmental:

The 2021 NJ Bald Eagle Report by the Conserve Wildlife Foundation of NJ lists the UGL nest site as one of the 222 in the State that produced 296 young. The breeding pair have recently been photographed at the nest.

A contractor's truck is parked on Township property at Dover Road and is leaking hydraulic fluid onto the street approximately 30 yards from the Lake.

Photographing the outfalls around the Lake continued up until the first snow of the season on January 7th. Open water is present in the Channel but the temperature is expected to be 7 degrees overnight this week.

L) Insurance: no report

M) Legal: for executive session

N) Master Plan: no report

O) Parklands:

Bulkheads:

1. 53 Landing inspection – Eric reports the wall is nice, long, installed correct height, but they are still working on a couple of outstanding issues.
2. Karen and Heather have done a couple other site visits. One or two are working through contractor issues.

Encroachments: no report

P) Publicity & Public Relations: no report

Q) Security: no report

R) Stumps: no report

**UPPER GREENWOOD LAKE PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES Regular Meeting Minutes
January 11, 2021**

S) Weeds: Weeds under ice and mostly dormant. Freezing has effect on some species and not others. Usually left with freeze-resistant weeds around previously exposed shore.

T) Ad Hoc Committees:

West Milford Lakes Association: Andrew Quirk, representative

UGL Environmental Management Task Force (UEMTF): no report

A motion to adjourn was made at 8:51pm by Paul Donoghue, seconded by Doug Grayson.

12 In Favor, 0 Opposed, 0 Abstained

Respectfully submitted,
Margie Culhane, Secretary