



PINES LAKE *Association*

**ANNUAL REPORT
2024-2025
OF THE
BOARD OF TRUSTEES**

**CAFETERIA
**SCHUYLER COLFAX MIDDLE SCHOOL
Thursday, March 13, 2025
7:30 pm
SNOW DATE
Thursday, March 20, 2025**

Please note new location

PINES LAKE ASSOCIATION BOARD OF TRUSTEES

Trustees:

Jon Kramer	President
Tony Barbario	Vice President & Chairman, Water Quality
Andy Hoy	Secretary
Tom Brennan	Treasurer
Pete Rosky	Chairman, Security & External Affairs
Rob Bush	Chairman, Water Safety & Programs
Tom Leach	Chairman, Properties
Doug Christie	Chairman, Membership
Heidi Fletcher	Chairman, Community Activities

Key Staff:

Patrick Anderson	Legal Counsel
Marge Caffery	Administrator
Rich Wantula	Properties Director

Section I

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Part II

Annual Meeting - March 13, 2025

AGENDA

- 1.** Call to Order - 7:30 pm, Cafeteria- Schuyler Colfax Middle School
- 2.** Approval of Minutes, Annual Meeting, March 18, 2024
- 3.** Receiving and Filing Trustee Reports
 - a. Secretary
 - b. Membership Standards
 - c. Water Treatment and Weed Control
 - d. External Affairs & Security
 - e. Community Activities
 - f. Properties
 - g. Health & Water Safety
- 4.** Election of New Members, Board of Trustees
- 5.** Election of President
- 6.** Other Proper Business
- 7.** Receiving of Annual Budget for 2025-2026
- 8.** Approval of Annual Budget for 2025-2026
- 9.** Adjournment

Report of the President

The past year was one that was rather serene which allowed our members to enjoy lake living to its fullest. This is what we strive for, and it comes as a result of the planning and execution by many people with their hard work to ensure such a smooth operation. Thanks go out to everyone involved with the waterfront, summer program, security, properties, community activities and water quality. We are blessed with a community of dedicated employees and trustees to make this happen. With too many people to thank individually I extend my sincere thanks and appreciation to one and all.

Everybody mark your calendars and plan to attend the next Pines Lake Annual Meeting

NEW LOCATION: Schuyler Colfax Middle School Cafeteria

DATE: March 13, 2025. – Snow date March 20, 2025

Time: 7 pm registration opens Meeting at 7:30 or when quorum is attained.

We need a strong showing of community involvement to attend in great numbers. Last year it took two dates to get a quorum. Without a quorum to conduct the annual meeting it puts into jeopardy many things we take for granted, most importantly our summer program.

If you come out this year and vote for the proposed By-Law changes, we can lower the quorum. What a help that would be for everyone. Instituting e-voting will allow for a lower quorum since it will in turn empower every home to participate in our votes, not just those who attend in person or by proxy as it is now. It is so important we join the 2020s and approve electronic voting so please make it a point to attend this year. (Right now, by NJ law, we are required to use electronic voting for trustee elections, but no other votes are allowed under our current bylaws.)

One rallying point for all our members is the development of the old Toys'R'Us property on Berdan Ave. It abuts several of our streets and all the run-off water from that property eventually flows into Pines Lake. The need for proper engineering to protect our lake water and the sensitive environment is clear to everyone. Wayne Mayor Chris Vergano has pledged to keep a watchful eye on the planning and construction to protect our lake. Pines Lake Association will continue to fight for its proper development such that nothing impinges on our members' properties, no access points extend to any of our streets, maintains an appropriate buffer, and most importantly includes design elements to protect our water quality. We will also press for proper inspection and correction of construction that does not conform to the final approved plans. Exerting some influence and control of how the development goes through the approval process is all any of us can do because the project itself cannot be stopped by ruling of the state judicial system. This is not a PLA thing to fight alone. It takes the collective voices of many residents. The Wayne Planning Board needs to hear from its citizens. Go to the meetings when the individual site plans are proposed. Voice your concerns and be heard. Together we can minimize impact and ensure our lake is not adversely affected.

Pines Lake residents know that our dam is the most significant asset in our community. To keep it safe and ensure its longevity we professionally inspect it and monitor it regularly. The most recently completed dam integrity engineering study, as well as all the ones preceding it, have always concluded that this nearly 100 year old dam is in great shape. Well, it is safe to say nobody predicted that on April 5, 2024 New Jersey would experience an earthquake, putting the computer models to the test of real life. Our dam withstood the tremors with no known consequences. This was one dramatic way to confirm its structural integrity! We can all sleep well knowing it is ready to take on another century of service with proper care and maintenance.

Please read the individual reports of the other trustees to be updated on the various other areas of interest. Our finances are secure, our water quality survived a difficult summer with no beach closures, we had minimal disruption with respect to security issues, the grounds are in great shape, and we had a banner year of community activities for all ages to go along with a safe and enjoyable summer program.

To repeat a catch phrase I first wrote 25 years ago, Pines Lake Association exists for its members! Let us know how we are doing as feedback is important to help us guide the community to meet the wants and needs of our members. Send an email to us at admin@pineslake.com or to me directly at president@pineslake.com and we will address your concerns and answer any questions you may have.

On behalf of the whole Board of Trustees, I thank you for the trust you have placed in us while we do our very best to serve our special community.

See you all March 13th in the Schuyler Colfax Middle School cafeteria!

Respectfully submitted,
Jon Kramer
President - PLA

Water Quality

The Pines Lake water quality continues to be in excellent condition. The clarity of the water is typically up to 7 feet, which is very good.

We tested the water for e coli weekly throughout the swimming season and never had to close the lake due to a high-test result. We had 2 treatments for algae this past year. The lake was also treated for curly leaf pond weed in the spring and brought into control.

As a reminder, please refrain from using any pesticides or lawn fertilizers on your property and lawns which can have a negative effect on our water quality. Fertilizers that contain phosphorous are prohibited from being used. It is our lake to enjoy for many, many years and it is up to all of us to do our best to keep it clean and safe.

The lake was stocked in the spring with minnows, bluegill sunfish, bass, and catfish. The levels of bluegill sunfish has once again started to return to a healthy number. We plan to stock the lake again in the spring with a variety of fish.

The number of Canada geese and swans on the lake are at a good balance. Our lake provides a beautiful sanctuary for the waterfowl but if we have too many, they could pose an issue with e coli in the lake and become an issue with water quality. Please do not feed any of the waterfowl.

Respectfully submitted,
Tony Barbario
Water Quality Trustee/Vice President

Report of the Secretary

The Board of Trustees met on a regular basis during fiscal year 2024-2025. At each Board meeting proper notes were taken and recorded and are available for review. All appropriate correspondence was recorded and filed.

During this fiscal year member requests for use of the pavilion were reviewed and all such requests were granted as the stated usage was consistent with the established rules. To the best of my knowledge, all Association records are accurate and up to date. As such the role of the Secretary has been fulfilled pursuant to our By-Laws.

After serving my first year on the Board, I am more aware of the joint responsibilities of the Board and the Association members. While the Board exists to service its members, active member participation is important to maintain our unique community. In addition to member attendance at Board meetings, there are several opportunities during the year to lead and assist, from volunteering at the various picnics, parties and themed events or becoming a trustee. I ask you to consider how you can participate in governing and supporting Pines Lake Association. Together we make Pines Lake a great place to live.

Respectfully submitted,
Andy Hoy
Secretary

Water and Safety

I was appointed to this seat after the 2024 budget was in place, and the previous board member in this seat, and the waterfront manager, had ceased to be affiliated with their prior positions. I would like to thank them both for their dedication and work to make this lake a safe and enjoyable place to live.

The year before (2023) taking the Waterfront Trustee seat the budget expenditure fell just shy of 225k and I had an approved budget going into the 2024 fiscal year of just shy of 200k. I therefore felt my goals were two-fold; to find a competent waterfront manager who could assist me in addressing the memberships' perceived deficiencies of the past, and to rein in spending and give our members more bang for their buck. We managed to hire someone who had 25 plus year's experience for the waterfront position, who had an extensive background in waterfront operations, lifeguards, and swim teams and who had turned around a local lake.

For the programs part of the summer program, a PLA member with experience with the swim team and the programs operations was hired.

One complaint from our members last year was the Wibit sign-up, so we did away with it without sacrificing safety. When you pay as much as that apparatus cost the PLA, I would rather see it worn out during its serviceable life than sitting underutilized.

By having these two group leaders understand our mission we came in under budget at between 145-150k. This saved each paid club member's household \$100 in dues over last year's expenditures. Was everything perfect? No. When has it been in any of our lives, no less a cumbersome association, but we've made strides forward and I am confident that those that follow will do likewise. Now on to 2025.

Respectfully submitted,

Rob Bush
Trustee Water & Safety

Properties

In 2024, the properties group again strived to keep all the areas in Pines Lake safe, clean, and ready for the members to enjoy. I was assisted again by Rich Wantula and our well-trained crew. Rich is in his fourth year in that position and has handled multiple large projects with skill and professionalism. We continue to invest in our staff with training to maintain safety and manage as many projects as possible internally. We contract out to vendors when extra skill, equipment, and certification are required for completion.

Projects completed in the 2024-2025 fiscal year.

- We completed the structural analysis of the dam. Our local engineer worked with a specialist on our type of dam. The engineers have submitted the reports to the state of New Jersey.
- We also conducted a seepage test on the dam. The state requires we perform this test every three years. It measures how much water bypasses the dam. We had lowered the lake at the end of the year to conduct this test.
- We did a significant upgrade on the South Beach Boat House. The primary intent was to solve water ingress on the lower level of the Boathouse. Over time, water will weaken the foundation, and we needed to resolve the problem. We changed the grade around the Boathouse to direct water away from the structure and upgraded the following features.
 - o We ran cold water, hot water, and a sanitary drain to a sink in the pavilion to allow volunteers to wash their hands during food preparation. This sink improves the lives of all those who help at the events.
 - o We replaced the old steps going into the storage area. The new stairs are wider, making loading and unloading equipment much easier and safer.
 - o We added two conduits from the Boathouse to the pavilion. One is for power; the second is for low-voltage data. These conduits allow expansion in the future. We have already used the high-voltage conduit for the court lighting repair and upgrade.
- We added new video cameras for security. The new cameras have higher resolution and IR capability for night viewing. The entire system can be viewed remotely. We installed cameras in the following locations.
 - o South Beach, three additional cameras
 - o West Beach, this is the first time we have video security at West Beach.
 - o North Island This is the first time we have video security at North Island.
- West Beach Gate Replacement. We removed the unsightly chain link fence and gate a few years ago. We moved the fence on the north side of the path and added drainage. After all of the upgrades, we installed a new gate. The gate adds security to the site, especially when personnel aren't present. Many non-members have gone by West Beach and are attracted by the lake view. The new gate blocks the view from the casual observer driving or walking by the entrance. There is not a lock on the gate at this time.
- Tennis Courts and Lower Court Lighting Project. (In process) The time clocks that controlled the lighting died this year. Rather than replace the simple system, we upgraded the system. The new system will save energy and minimize light pollution, especially for those members around South Beach.
 - We added a new time clock with battery backup that understands sunset times and daylight savings time.
 - Demand-driven lighting control. Each court will have a courtesy light over the controls from sunset until 10:00 PM EST.
 - Each court is controlled independently.
 - If no one is using the court, the lights stay off.

Members activate the lights by themselves for one hour. Members can extend the time until the lights are disabled at 10:00 PM.

I expect to end the year on budget. The mandated change in minimum wage laws will impact the 2025-2026 fiscal year. Not only are our staff affected, but our vendors have the same impact.

Looking Forward

We have been doing routine surveys on PLA properties. We have used these to understand precisely where the PLA boundaries are. We have encountered issues with several members who have crossed onto PLA properties. We are working to resolve these issues and protect the legal rights of the PLA.

We will add split rail fences along PLA boundaries to denote a clear demarcation for the property owners and the members. No one should infer anything when we put in a fence. We have come to understand the wisdom that good fences make good neighbors.

2024 was my fourth year and my second term as the property trustee. I thank Chris Adams and Bob Anderson for their professional advice on multiple projects. Both gentlemen gave me their expertise on numerous projects, enabling me to complete projects with better results at the best cost possible.

I enjoy serving on the board of the Pines Lake Association, and I again appreciate the trust placed in me by the members.

Respectfully submitted

Thomas Leach

Property Trustee

Membership Standards

The report of the Membership Trustee can be summarized as follows: We are a strong association, with 90% participation paying dues. This is remarkable compared to other lake communities in our area. This is a reflection of how well the community sees itself and the value created by having a strong association. It seems obvious but the selling price of your home in a strong community is much higher than one that offers little in return with low rates of participation.

As Membership Trustee, interacting with new incoming families, the message is clear that we are a great place to live, work, raise a family, retire to, and enjoy life.

Please join me in welcoming our newest members for this fiscal year:

Amanda Niglia & Christopher Donnelly 560 Indian Road

Heidi Pena 109 Balsam Road

Debbie & Russell Heltzer 136 Beech Terrace

Jeffrey & Randi Saltzman 215 PLDE

Samantha Martinez & Xavier Soto 23 Omaha Road

Paul & Amy Coyle 62 Algonquin Trail

Nick & Maria Bassolino 34 Glen Road

Nezla & Ibrahim Kaback 151 PLDE

Erin & Sean Kennedy 845 PLDW

Martin & Marisol Perkins 130 Algonquin Trail

Ira Levine Diane Bender 341 PLDE

Christopher & Jacqueline Yoo 165 Balsam Road

Paul & Kyrsten Minelli 162 Beech Terrace

Maricarmen De Cornelio 165 Beech Terrace

Theresa Weigel 7 Glen Road

David Kones & Sheryl Kalasa 20 Knoll Road
Edouard & Dorotee Jonville 552 PLD
Lake & Serafina Chaelen 668 PLDW
Raphael & Sandy Rodriguez 764 PLDW
Christine Bocker & Nicholas Scaglione 899 PLDW

Respectfully submitted,
Doug Christie
Membership Trustee

Community Activities

Hello! Hope everyone is having a happy and healthy winter so far. It has been my pleasure to again serve as Community Activities trustee for PLA for the past year. I love that I get to help bring a variety of great activities to our community. I'm always open to hearing your ideas and suggestions for other activities and improvements to enrich our quality of living in Pines Lake. Thank you to those who filled out the Community Activities feedback form this fall; some of your suggestions were great and will be incorporated into our events in the coming year.

I want to take the time here to acknowledge our incredible staff for their dedication and hard work. Many go above and beyond to ensure all members have a fulfilling experience and it does not go unnoticed. Most importantly, I owe a huge THANK YOU to all the volunteers who helped with our events! Because of volunteers, we're able to do these activities and add more for the community to enjoy. Please consider signing up this year to help, as it's a great way to meet your neighbors and support all that we do.

Here's the schedule of just some of the upcoming events for the year. Mark your calendars (though note dates and times are subject to change). More events will be added in the coming months, so make sure you're on the PLA email list, check our 'Pines Lake Association' Facebook page and the website at <https://pineslake.com/>

Pancake Breakfast	Saturday, May 24
Fun Night	Wednesday, July 3
4 th of July parade/picnic	Friday, July 4
Fun Night	Wednesday, July 9
Fun Night	Wednesday, July 16
Fun Night	Wednesday, July 23
Fun Night	Wednesday, July 30
Fun Night	Wednesday, August 6
Labor Day picnic	Saturday, August 30
Fall Fun Day	Saturday, October 18

Also, there is still some Pines Lake swag available, and more items will be coming this year. Order form: <https://forms.gle/9Kxbh7LPxLJkNh418>

Respectfully submitted,
Heidi Fletcher
Community Activities Trustee

Security & Public Affairs

Dear Members,

I am pleased to present the 2024-2025 annual report for Security & External Affairs. It has been a wonderful year marked by the dedicated efforts of our members in upholding the rules and by-laws that maintain the beauty and safety of our lake community. Throughout this past season, our community members have demonstrated exemplary compliance with our rules and by-laws. Your commitment to adhering to these regulations has been instrumental in preserving the integrity of our community. It is this collective effort that ensures our lake community remains the incredibly beautiful haven we are so fortunate to call home. Your continued cooperation and commitment are deeply appreciated and valued.

Following the devastating loss of Kevin Naudts, Lisa Mulligan was appointed as Security Director and worked to fill his shoes. Lisa has done an excellent job and really stepped up when it was needed the most. She brings her experience and knowledge into this role.

As we begin to navigate through this coming season, we continue to refine our processes to operate more efficiently and effectively. Our goal is to ensure the safety of our membership while keeping within budget and maintaining the serene and harmonious nature of our community. Through ongoing assessments and improvements, we aim to bolster our security measures and emergency preparedness, further enhancing our ability to serve and protect our membership. Once again, I extend my sincere gratitude to each and every one of you for your unwavering commitment to the rules and by-laws governing our community. Your support and compliance are integral to the continued success and preservation of our beloved lake.

Respectfully submitted,
Peter Rosky
Security & External Affairs Trustee

Treasurer's Report

For the 2024-25 year the Association's forecasted spending at early January is \$750,000 versus a budget of \$773,000. The favorability was driven by Health & Safety, which was \$49,000 under budget, partially offset by higher administrative outside services of \$14,000, higher property maintenance of \$16,000, higher security staffing of \$5,000 and higher property taxes of \$5,000. Forecasted income for the year is \$763,000 versus the budget of \$773,000. The lower income was driven by fewer members paying dues.

Spending is forecasted to be \$82,000 less than prior year primarily driven by lower Health & Safety staff costs and lower capital project spending partially offset by higher property maintenance, higher security staff cost and higher administrative outside services. Income was the same as prior year.

Noted in last year's report was the topic of whether members' dues are subject to state sales tax. An opinion from financial advisory consulting firm Eisner Amper in late March 2024 determined that dues are not applicable to Association members. Therefore, we did not invoice sales tax as part of the billing of the 2024-25 year's dues. Members received refunds for the sales tax collected for the 2023-24 year by a reduction in the amount owed on the current year's dues invoices.

The association's cash balance at the end of December was \$495,000 which can be segregated as operating funds and invested funds. Operating funds are \$60,000 and invested funds are \$435,000. As noted last year, the majority of the invested funds are in a money market account currently earning 3.84% annually. We are forecasting spending \$95,000 for the remaining 3 months of the year. This may require using some of the invested funds.

The primary purpose of the invested funds is to act as a reserve for unanticipated non-operating expenses that would not be covered by insurance. In this respect, we are conducting a capital reserve study to determine what amount would be appropriate for replacing Association's assets due to 'wear and tear' over their depreciable life such as the pavilion's roof, South Beach parking lot.

The Board has concerns with the growing number of members who are not paying dues. The total number of households that qualify for membership is more than 700 but only 660 paid this year. The total outstanding unpaid balance has accumulated to more than \$600,000.

The proposed budget for fiscal year 2025-26 year is attached. This spreadsheet includes forecasted spending and January year to date spending for the 2024-25 year.

The dues are budgeted to increase 2.5%. Full member dues are planned for \$1,070.10 with senior dues at \$963.50. Next year's spending is budgeted to increase \$25,000 primarily in the areas of Health & Safety and Water Quality to account for the timing of non-staff expenses that were not incurred in the current year. The budget includes \$72,000 in capital spending in line with the current year's forecast. Please review the attached spreadsheet with our proposed budget and provide us with any input and proposals before the March 2024 meeting. We welcome your suggestions and feedback.

Respectfully Submitted,

Tom Brennan
Treasurer

Pines Lake Memorial Scholarship

The Pines Lake Scholarship Committee is looking for applicants for the Pines Lake Scholarship. It is a tradition where we honor a graduating high school senior within Pines Lake who "most embodies the spirit of living and growing up in Pines Lake." Accompanying the honor is a one-time \$1,500 award. The PLA Memorial Scholarship is an enduring institution, one of the many things that help define growing up in our special community.

Over the years, as our young children have watched the winner being announced at the Fourth of July Parade, many must have thought to themselves, 'someday that might be me'. Pines Lake Memorial Scholarship Application Procedures Eligibility: 1. Applicant must be a member in good standing of the Pines Lake Association. 2. Students whose parents are current Board Members, Administrator, Properties Director, or members of the Scholarship Committee are ineligible for consideration. 3. Students must be entering college or other vocational/academic institutions of higher education in the Fall of 2025. 4. **Applications are due Wednesday, April 30, 2025 via email to admin@pineslake.com.** 5. An Interview with the scholarship committee is required as part of the selection process. Interviews will be held prior to high school graduation. Application Materials: A. One-page resume with credentials and background: The document must have your name, address, cell phone, and email address. You can include extracurricular activities, sports, organizations/affiliations, community service, and work experience. B. 2-page essay: Describe what Pines Lake means to you, and how growing up in Pines Lake has influenced your childhood and personal development.

The winner of the Pines Lake Memorial Scholarship will be announced at the culmination of the 4th of July parade. Information can be found on pineslake.com in the forms tab. The deadline is Wednesday, April 30, 2025.

PLA Scholarship Recipients

1982 – Heidi Moore	1996 – M. Prail & P. Ramer	2011 - Patrick Calabrese
1983 – Jim Ungemach	1997— Kimberly Rose	2012 - Stephanie Barone
1984 – Thuy Le B	1998 - Sara Morehead	2013 - Ryan Ireland
1985 – Linda Coulson	1999 - Kelly Dalto	2014 – Brianne Lindstrom
1986 - Robert Vietrogoski	2000 - Art Dardia III	2015 – D. Tarpey & M. Horne
1987 – C. Scherer & B. Boyle (Co-Winners)	2001 - Douglas Hoekstra	2016 – Christopher D'Aloia
1988 – Adrienne Smith	2002 - Christine Pinto	2017 -- Olivia Catania
1989 – Kim Coulson	2003— Lauren Mezey	2018 - Maddy Flynn
1990 – Rachel Lindsay	2004 - Rachel Rossitto	2019 - Mark Noschese
1991 – Chris Hartman	2005 - Cynthia Leach	2020 - Robert Stepien & Ben Kressaty
1992 – Andy Leszkowicz	2006 - Brandon Battersby	2021 - Daniel Daly
1993 – Jennifer Kick	2007 - Parker Weston	2022- Hailey Conklin & Vanessa Brown
1994 – Christy Robbins	2008 - Patti Meringer	2023 Alex Shneyderman
1995 – Jennifer Inglett	2009 - Erica Anderson	2024 Will Lebron
	2010 - Sandra Thomas	

Minutes of the PLA Annual Meeting
Pines Lake School

March 28, 2024

Board of Trustees (BoT) Present: Jon Kramer (President), Tony Barberio, Sean Patrick, Tom Brennan, Tom Leach, Suzanne Bloom and Heidi Fletcher

Board of Trustees Not Present: Joe Petti, Rob Bush

Patrick Andersen – Board Attorney

Meeting opened at 7:30 pm by President Jon Kramer. There were more than the required 225 members present.

NOTE: there was significant feedback throughout the meeting by members, unfortunately several did not introduce themselves with their name and addresses and therefore were not entered into the minutes.

Business Reviewed:

Jon Kramer asked for a motion to accept the minutes from the prior annual meeting.

Angela Pagano (23 Ledge Road) objected, stating that absent the minutes were her noting that Rob Bush is not a property owner and therefore should not be on Board of Trustees. Jon responded that Rob meets being a member according to the By-Laws, ARTICLE 1 – MEMBERSHIP and which Patrick Anderson affirmed.

The amended minutes were subsequently approved.

Tom Leach (Properties BoT) made an extended presentation which included:

- ☐ The projects which were completed in the prior year (e.g., West Beach improvements, Dam safety study), projects planned for the coming year (e.g., Boat House foundation rehabilitation) as well as projects in the out years (e.g., tennis court retaining wall replacement).
- ☐ Areas of the prior year budget including spending more than the approved budget
- ☐ Replacement of Association's keys to certain facilities such as North Island
- ☐ Financial metrics regarding dues and expenditures per member
- ☐ Changes to Health & Safety area management
- ☐ Lifeguard staffing levels at South and West Beaches in the prior year.
- ☐ Safety protocols for the Wibit, specifically the number of participants using the Wibit at any one time and the appropriate lifeguard staffing levels for it. Tom conveyed that member use was too limited by Health & Safety staff and lifeguard coverage was excessive. He noted that coverage could be 1 lifeguard per 30 users.

Several members including Tara Daly (53 Osceola Rd) commented and questioned the Wibit's prior year protocols and what they should be for the coming year.

Marc Puglisi (210 PLDE) asked Tom where the lifeguard staffing level recommendations were sourced and expressed concern that coverage should be a minimum of 4 guards. Tom said he would look into the safety staffing protocols further.

Tara Daly - asked about the new Health Safety director, noted that the water programs need to be more effectively managed and that she would like to learn more about the new director's background.

Angela Pagano questioned the costs for the prior and current year projects including a request to view the cost estimates and process to select the third-party vendors. Angela also questioned the related operating costs such as increased insurance and utilities for the new cameras. Tom agreed to share this vendor sourcing and costs information with members.

Christine Pagano (10 Hawthorne) specifically requested a list of the vendors contacted for the dam inspection generally wanted more visibility on operating and project costs.

John Parella (344 PLD) expressed concern over the expanded hours for pickle ball, specifically the excessive sound volume later in the evenings which he found negatively impacted his quality of life.

Christine Pagano suggested installing soundproof walls.

Leslie Reiser (98 PLD) suggested special balls designed to minimize noise.

Dan Pagano (23 Ledge Road) expressed concerns over the key change at North Island, specifically the need to carry a boat battery an additional distance.

Pete Rosky (634 PLD) asked about the water runoff from the Point View property and its future development. He recommended that the BOT pursue Wayne Twp to pay for improvements to prevent the runoff from negatively impacting the lake.

Michelle Christie (12 Balsam) – advised that there is a hole in the fence that runs through the lower tennis court and asked when it will be repaired.

Giovanni Onnembo (180 Mohawk) – expressed concern with how the security cameras were used, what the data retention was and who had access to retrieve the coverage. Tom Leach advised that data was retained for 48 hours unless there was an incident recorded.

Austin Favale (61 Algonquin Trl) – asked whether there would be security guards posted at the Haycock Brook/South Beach bridge.

John Parella – inquired about paid security guards, and will they be trained to deal with aggressive people?

Giovanni Onnembo - expressed concern over the rule change implementation generally and specifically over the use/access to keys. He felt that the BoT was making 'random' adjustments to rules without member participation/feedback. He opined that there was an unsatisfactory process for implementing rule changes and their related communication.

Christine Pagano questioned the process used to make rule changes.

(Unidentified woman) also asked about the process of rule changes.

Dan Pagano requested that a copy of the rule changes should be posted on the website. NOTE: Updated rules are posted on the website.

Tony Barberio (Treasurer) presented the status of the Sales Tax issue, including the 2023-24 dues collected, and the annual budget. Sales Tax issue - to recap, this issue surrounds the applicability of sales tax being applied to the annual membership dues.

The presentation identified in chronological order the activities over the past 12 months to determine if sales tax was applicable. Specifically mentioned was the following:

- 1) The issue began with a request by PLA member Giovanni Onnembo.
- 2) The delay in resolving this issue was attributed to the BoT being divided on the issue, in part due to the vague wording in the NJ tax statute.
- 3) A BoT member independently contacted a NJ state tax representative for an opinion including their interpretation affirming that sales tax was applicable.
- 4) The contracting of independent third parties to render an opinion on the matter, e.g., EisnerAmper (EA)
- 5) That the Treasurer was censored by the majority of BoT members in part because of how he managed the issue and communicated its status to members.
- 6) The Association received email correspondence on March 19, 2024, from EA on their opinion that sales tax is NOT applicable.
- 7) The savings from not paying sales tax is approximately \$45,000/year collectively among the members.
- 8) Those dues collected for the 2023-24 related to sales tax had not been sent to the state by the June 30, 2023 deadline but had been accruing interest in the PLA bank account.

2024-25 Budget - a high level review of the budget by major line item. There were no questions or comments from members. The majority of members in attendance requested a resolution on the Sales Tax issue. Jon Kramer asked if members presented wished to vote on it. Roy Pagano (308 PLD) made a motion to vote on it. To that end, Jon read aloud to the attendees the March 19 th correspondence from EA.

Members overwhelmingly voted to approve ending the applicability of Sales Tax to the annual dues.

Giovanni Onnembo noted that he was disheartened by the censure action. He opined, again, that if back dues can be collected then an obligation is in effect which qualifies for the membership dues to not be applicable to sales tax.

Dan Daly (53 Oscola Rd) requested that the BoT member who acted independently in contacting the NJ tax official be identified and opined that they did not act in good faith. Jon Kramer recommended against this action but asked the membership to vote on it. The membership overwhelmingly requested this identification. Jon advised that it was Rob Bush. Dan subsequently requested that a vote being

taken to recall Rob Bush as a BoT member. Jon rejected this request since Rob was not present as part of 'due process'. Certain members in attendance (who did not identify themselves at the microphone) also questioned Rob's property ownership status to qualify to be on the BoT. Jon noted that according to the By Laws, Rob's residency status qualifies him. A motion was made to approve the 2024-25 budget by Roy Pagano. The membership overwhelmingly approved the budget.

Paul Horne (11 Omaha) asked how the 2023-24 sales tax collected would be returned to members. Jon advised that it would be a credit on the 2024-25 invoice. Art Guardia (87 Poplar Rd) – asked if the senior discount could negatively impact the NJ interpretation of the dues being applied consistently. Tony said it would comply as being in the spirit of the statute (i.e., there was no discrimination among individual members).

Monique Donnelly (30 Pontiac Drive) – asked if the budget has funds to store personal paddle boards at South Beach. Tom Leach advised that this can be accommodated.

John Parella (344 PLD) questioned the current policy of when pontoon boats in offsite storage could be returned to the lake if the respective member was in good standing. Specifically, Rule K BOATING RULES, Dock Spaces and Mooring, item 15 "The upcoming year's dues, and any outstanding monies owed to the Association must be brought current, prior to a pontoon boat being launched from PLA property each year." Jon Kramer asked members if they wished to vote on changing this rule. A motion was made to change this rule to allow any member in good standing access to the dropping of their boats to the lake.

Holly Ryan (45 Brook Terrace) noted that the rule was put into place because in the past there were some members with pontoon boats who did not pay their dues and the rule was put into place to compel them to pay the dues. The rule change was overwhelmingly approved by the members. This rule will be removed in its entirety.

Lynn Brescia (930 PLD) – questioned rule change G. ADMISSION TO ASSOCIATION PROPERTY, item 4. "Badges will be issued in accordance with the number of members in each household". This ruling effectively only provides one beach badge per resident versus the prior rule that would allow 6 badges per address. That would leave her with only one badge. Jon asked if the members wanted to vote to change the rule, Lynn made the motion to change. Members overwhelmingly voted to reverse the rule change. The replacement rule is 4. A total of the greater of six, or the number of permanent residents in an eligible household six years or older, beach tags shall be issued or authorized each year to each eligible membership household in the community.

Barbara Dardia (95 Poplar Rd) – commented on the lack of lifeguards on West Beach during the 2023-24 summer season due to the higher staffing levels provided to guard the Wibit. She requested limiting Wibit spending to \$5,000 annually. There was not a second motion to move to a vote.

Roy Pagano – made a motion to Change Rule H, GUEST AND CLUB RULES item 7 "All proceeds generated by club events shall be collected and controlled by the PLA and comply with state and federal tax guidelines. Alcohol is strictly prohibited and may not be consumed, served nor brought onto premises for any club or group use of PLA property and/or its facilities". Roy's motion was as follows: Remove the 5th line that reads. "All proceeds generated by club events shall be collected and controlled by the PLA and comply with state and federal tax guideline. Add to the 6th line by removing the period, add an apostrophe and that line will now read. "Alcohol is strictly prohibited and may not be consumed, served nor brought onto premises for any club or group use of PLA property and/or its facilities, except at the Pines Lake Fishing And Conservation Club (PLFCC) Annual Beefsteak Dinner/Dance which is held the 1st Saturday in August each year." Add a 7th line. "If any other club or group wants to serve alcohol they would need to make this request to the PLA Board of Trustees." There was an extended discussion among members regarding the behavior of certain attendees at the August 2023 Beefsteak event sponsored by the Fishing Club which was the catalyst for the December 2023 rule change.

Arthur Thompson · (26 Pontiac Dr) – expressed his support for the Beefsteak event but expressed disappointment over the demeanor of the related discussion. Art opined that the 2023 Beefsteak included an excessive consumption of alcohol and the demeaning treatment of PLA employees by event attendees.

Bernadette Latinsics (Beech Terrace) – commented that the rule change should apply to all clubs, not just the Fishing Club.

Dan Pagano – commented on the safety protocols that were used at the last Beefsteak event.

Angela Pagano noted that the Beefsteak event, sponsored by the Fishing Club, had been held for more than 30 years without incident and was open to all members. She seconded the motion to change the rule. The rule change was overwhelmingly approved by the members present. Christine Pagano opined that the Fishing Club activities including the Beefsteak event were more active than PLA sponsored activities which had been curtailed in the last year. Austin Favale (61 Algonquin Trl) noted that he attended last year's Beefsteak event and did not observe any risks to staff or property. He supported the continuation of the event with alcohol. Richie Ewing (53 BALSAM RD) - asked if the new rule limited alcohol to beer and wine or included all alcohols. He was advised that there were no restrictions in the new rule.

Roy Pagano presented a petition, signed by 61 members, to remove the following language from the By-Laws, Article VIII – Rules and Regulations. "Also, the Board of Trustees may formulate, adopt and modify Membership Rules to govern the affairs of the Association at either the Annual Meeting or at an executive work session."

The meeting adjourned at approximately 10:15 PM
Respectfully submitted,
Tom Brennan
Secretary – Pines Lake Association

Financial Review Section to be added upon completion

Pines Lake Association
Forecast April 2024 - March 2025
Budget April 2025 - March 2026
at January 1, 2025

	2024-25 Forecast	2024-25 Budget	Over / (Under) Budget		Proposed 2025- 26 Budget
Income					
40000 Full Dues	\$416,556.00	\$436,639.96	(\$20,083.96)	-4.60%	\$426,969.90
40100 Senior Dues	\$244,400.00	\$231,272.94	\$13,127.06	5.68%	\$250,510.00
40200 Late Fees	\$1,827.10	\$1,000.00	\$827.10	82.71%	\$1,000.00
40300 Back Dues	\$55,836.74	\$50,000.00	\$5,836.74	11.67%	\$50,000.00
40400 Initiation Fees	\$21,404.01	\$12,000.00	\$9,404.01	78.37%	\$12,000.00
40500 Snack Bar	\$10,217.00	\$10,000.00	\$217.00	2.17%	\$10,000.00
40600 Sale of Logo Merchandise	(\$994.99)	\$6,000.00	(\$6,994.99)	-116.58%	\$0.00
40700 Interest Income	\$15,963.12	\$20,000.00	(\$4,036.88)	-20.18%	\$20,000.00
40800 Community Activities Income	\$7,305.00	\$5,000.00	\$2,305.00	46.10%	\$2,000.00
40850 Pavilion Use Fee Income	\$1,400.00	\$1,000.00	\$400.00	40.00%	\$1,300.00
Unapplied Cash Payment Income	(\$10,437.33)	\$0.00	(\$10,437.33)		\$0.00
Total Income	\$763,476.65	\$772,912.90	(\$9,436.25)	-1.22%	\$773,779.90
Expenses					
50000 Administration					
50100 Badges and Decals	\$5,000.00	\$5,000.00	0.00	0.00%	\$4,000.00
50200 Legal Fees	\$12,000.00	\$15,000.00	(3,000.00)	-20.00%	\$15,000.00
50225 Audit Fees	\$14,400.00	\$5,500.00	8,900.00	161.82%	\$9,000.00
50250 Payroll Service	\$2,975.74	\$2,000.00	975.74	48.79%	\$3,200.00
50275 Office/Web/Consulting Services	\$9,431.06	\$5,000.00	4,431.06	88.62%	\$9,200.00
50300 Insurance	\$70,000.00	\$74,000.00	(4,000.00)	-5.41%	\$74,000.00
50500 Miscellaneous/Other	(\$114.94)	\$1,000.00	(1,114.94)	-111.49%	\$0.00
50550 100th Anniversary Celebration	\$627.78	\$1,000.00	(372.22)	-37.22%	\$0.00
50600 Administration - Printing & Postage	\$3,000.00	\$3,000.00	0.00	0.00%	\$2,000.00
50700 Office Supplies	\$1,000.00	\$1,000.00	0.00	0.00%	\$1,000.00
50750 Storage/Rental Expense	\$3,055.45	\$2,600.00	455.45	17.52%	\$2,724.00
50800 Bank Charges	\$700.00	\$100.00	600.00	600.00%	\$750.00
51000 Federal Inc. Tax	\$200.00	\$200.00	0.00	0.00%	\$0.00
51100 Other Taxes & Fees	\$200.00	\$200.00	0.00	0.00%	\$0.00
51200 Administrator Salary	\$36,000.00	\$36,000.00	0.00	0.00%	\$37,800.00
51300 Administrator P/R Taxes	\$3,600.00	\$3,600.00	0.00	0.00%	\$3,780.00
51400 Meeting Expense	\$800.00	\$800.00	0.00	0.00%	\$800.00
51500 Administration - Mileage	\$300.00	\$300.00	0.00	0.00%	\$300.00
51600 Property Taxes	\$49,600.00	\$45,000.00	4,600.00	10.22%	\$51,088.00
51700 Phone & Internet Access	\$2,400.00	\$1,750.00	650.00	37.14%	\$1,960.00
51900 Office Equipment Purchases	\$500.00	\$500.00	0.00	0.00%	\$500.00
Total 50000 Administration	\$215,675.09	\$203,550.00	\$12,125.09	5.96%	\$217,102.00
55000 Community Activities					
55100 Picnic & Party Expenses	\$9,323.69	\$7,000.00	\$2,323.69	33.20%	\$8,000.00
55200 Senior Activities	\$1,200.00	\$1,200.00	\$0.00	0.00%	\$1,200.00
55300 Other Activities	\$2,000.00	\$2,000.00	\$0.00	0.00%	\$2,000.00
55320 Liquor License Permits	\$650.00	\$650.00	\$0.00	0.00%	\$650.00
55410 100 Year Anniversary	\$126.30	\$0.00	\$126.30		\$5,000.00
55800 Snack Bar Purchases	\$5,500.00	\$5,500.00	\$0.00	0.00%	\$5,500.00
60700 Snack Bar	\$10,500.00	\$10,500.00	\$0.00	0.00%	\$10,500.00
60750 Snack Bar P/R Taxes	\$1,500.00	\$1,500.00	\$0.00	0.00%	\$1,050.00
Total 55000 Community Activities	\$30,799.99	\$28,350.00	\$2,449.99	8.64%	\$33,900.00
60000 Health & Safety					
60100 Summer Program Director	\$14,571.45	\$10,250.00	4,321.45	42.16%	\$15,000.00
60150 Summer Program Director P/R Taxes	\$1,404.40	\$1,365.90	38.50	2.82%	\$1,500.00
60200 Asst Summer Program Dir	\$0.00	\$10,250.00	(10,250.00)	-100.00%	\$0.00
60250 Asst. Summer Program Dir P/R Taxes	\$0.00	\$565.20	(565.20)	-100.00%	\$0.00

Pines Lake Association
Forecast April 2024 - March 2025
Budget April 2025 - March 2026
at January 1, 2025

	2024-25 Forecast	2024-25 Budget	Over / (Under) Budget		Proposed 2025- 26 Budget
60300 Life Guards	\$77,000.00	\$114,000.00	(37,000.00)	-32.46%	\$84,400.00
60350 Life Guard P/R Taxes	\$7,700.00	\$10,738.80	(3,038.80)	-28.30%	\$8,440.00
60500 Summer Program Staff	\$37,621.07	\$40,000.00	(2,378.93)	-5.95%	\$39,502.12
60550 Summer Program Staff P/R Taxes	\$3,639.48	\$3,768.00	(128.52)	-3.41%	\$3,950.21
60600 Summer Program Supplies	\$8,100.00	\$6,500.00	1,600.00	24.62%	\$10,000.00
60900 Water Equipment & Supplies	\$502.56	\$2,000.00	(1,497.44)	-74.87%	\$3,000.00
61000 Other	\$312.00	\$500.00	(188.00)	-37.60%	\$500.00
Total 60000 Health & Safety	\$150,850.96	\$199,937.90	(49,086.94)	-24.55%	\$166,292.34
70000 Property & Maintenance					
70100 Properties Director Salary	\$39,000.00	\$39,000.00	0.00	0.00%	\$41,000.00
70150 Properties Director P/R Taxes	\$3,490.44	\$3,900.00	(409.56)	-10.50%	\$4,100.00
70300 Maintenance Staff Salaries	\$34,000.00	\$34,000.00	0.00	0.00%	\$35,700.00
70350 Maintenance Staff P/R Taxes	\$3,400.00	\$3,400.00	0.00	0.00%	\$3,570.00
70600 Landscaping	\$10,451.07	\$10,000.00	451.07	4.51%	\$10,451.07
70700 Refuse Removal	\$2,162.71	\$2,000.00	162.71	8.14%	\$2,162.71
70800 Sand & Spreading	\$6,200.00	\$3,500.00	2,700.00	77.14%	\$6,500.00
70900 South Beach Docks In/Out	\$2,410.80	\$2,000.00	410.80	20.54%	\$2,410.80
71000 Tree Feeding & Spraying	\$2,505.71	\$1,500.00	1,005.71	67.05%	\$2,505.71
71100 Tree Trimming & Removal	\$15,000.00	\$15,000.00	0.00	0.00%	\$15,000.00
71200 Rental Expense	\$1,500.00	\$1,500.00	0.00	0.00%	\$1,500.00
71300 Truck Maintenance	\$2,000.00	\$2,000.00	0.00	0.00%	\$2,000.00
71400 Boat Maintenance	\$1,300.00	\$800.00	500.00	62.50%	\$1,300.00
71500 Parking Lot Maintenance	\$2,400.00	\$500.00	1,900.00	380.00%	\$2,400.00
71600 Pavilion & Beach House Maint.	\$10,500.00	\$5,000.00	5,500.00	110.00%	\$6,000.00
71700 Tennis Court Maintenance	\$1,500.00	\$1,500.00	0.00	0.00%	\$1,500.00
71750 Dock Maintenance	\$250.00	\$250.00	0.00	0.00%	\$250.00
71800 Property Maintenance	\$2,000.00	\$2,000.00	0.00	0.00%	\$2,000.00
71900 Licenses & Permits	\$600.00	\$200.00	400.00	200.00%	\$600.00
72100 Equipment & Supplies	\$7,091.95	\$5,500.00	1,591.95	28.94%	\$7,091.95
72400 Telephone, Electric & Water	\$12,041.43	\$10,000.00	2,041.43	20.41%	\$12,041.43
72500 Other	\$5,000.00	\$5,000.00	0.00	0.00%	\$5,000.00
Total 70000 Property & Maintenance	\$164,804.11	\$148,550.00	16,254.11	10.94%	\$165,083.67
Total 74000 Capital Projects	\$72,000.00	\$72,000.00	\$0.00	0.00%	\$72,000.00
75000 Security and External Affairs					
75100 Security Staff Salaries	\$70,000.00	\$65,000.00	\$5,000.00	7.69%	66,300.00
75150 Security Staff P/R Taxes	\$7,000.00	\$6,500.00	\$500.00	7.69%	6,630.00
75400 Other	\$225.00	\$225.00	\$0.00	0.00%	225.00
75600 Supplies	\$1,425.00	\$700.00	\$725.00	103.57%	750.00
Total 75000 Security and External Affairs	\$78,650.00	\$72,425.00	\$6,225.00	8.60%	\$73,905.00
76000 Water Quality					
76100 Water Quality Testing	\$7,976.04	\$7,600.00	\$376.04	4.95%	7,600.00
76200 Algae Treatment	\$3,994.18	\$8,000.00	(\$4,005.82)	-50.07%	6,000.00
76300 Weed Treatment	\$19,182.91	\$26,000.00	(\$6,817.09)	-26.22%	26,000.00
76400 Fish Stocking	\$2,500.00	\$2,500.00	\$0.00	0.00%	2,500.00
76500 Geese Program	\$1,039.59	\$4,000.00	(\$2,960.41)	-74.01%	4,000.00
76600 Test Equipment	\$119.93	\$0.00	\$119.93		\$0.00
Total 76000 Water Quality	\$34,812.65	\$48,100.00	(\$13,287.35)	-27.62%	\$46,100.00
Uncategorized Expense	\$1,117.07		\$1,117.07		0.00
Total Expenses	\$748,709.87	\$772,912.90	(\$24,203.03)	-3.13%	\$774,383.01
Net Operating Income	\$14,766.78	\$0.00	\$14,766.78		(\$603.11)

**Pines Lake Association
Financial Statements
Year Ended March 31, 2024**

**Pines Lake Association
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Year Ended March 31, 2024**

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Hulse & Associates, P.C.
Certified Public Accountants
350 Passaic Avenue, Fairfield, NJ 07004
Telephone: (973) 882-8053 Cell (973) 214-6840
Fax (973) 882-9660

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees of:
Pines Lake Association
Wayne, New Jersey

We have reviewed the accompanying financial statements of Pines Lake Association (a corporation), which comprise the balance sheet as of March 31, 2024 and the related statements of revenue, expenses and changes in cumulative excess of revenues over expenses and cash flows for the year then ended and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Pines Lake Association and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion on the Financial Statements

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information in Schedules I-VI is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the supplementary information in order for it to be in accordance with the accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Hulse & Associates, P.C.

Hulse & Associates, PC
January 31, 2025

Pines Lake Association
Balance Sheet
March 31, 2024

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Assets

	Operating Funds	Reserve Funds	Total Funds
Current Assets:			
Cash	\$ 8,625	\$ 419,899	\$ 428,524
Total Current Assets	<u>8,625</u>	<u>419,899</u>	<u>428,524</u>
Property and Equipment:			
Land	48,751	-	48,751
Improvements	1,679,154	-	1,679,154
Furniture and Equipment	329,316	-	329,316
Total	2,057,221	-	2,057,221
Less: Accumulated Depreciation	1,520,472	-	1,520,472
Net Property and Equipment	<u>536,749</u>	<u>-</u>	<u>536,749</u>
Total Assets	<u>\$ 545,374</u>	<u>\$ 419,899</u>	<u>\$ 965,273</u>

Liabilities and Fund Balance

Current Liabilities:			
Accrued Taxes Payable	\$ 46,700	\$ -	\$ 46,700
Dues Received in Advance	13,214	-	13,214
Total Current Liabilities	<u>59,914</u>	<u>-</u>	<u>59,914</u>
Fund Balance:			
Cumulative Excess of Revenue Over Expenses	<u>485,460</u>	<u>419,899</u>	<u>905,359</u>
Total Liabilities and Fund Balance	<u>\$ 545,374</u>	<u>\$ 419,899</u>	<u>\$ 965,273</u>

See Accountants' Report and Notes to Financial Statements

Pines Lake Association
Statement of Revenue, Expenses and Changes in Cumulative
Excess of Revenue Over Expenses
Year Ended March 31, 2024

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	Operating Funds	Reserve Funds	Total Funds
Revenue:			
Member Dues and Special Assessments	\$ 708,585	\$ -	\$ 708,585
Initiation Fees	22,770	-	22,770
Investment Income	-	15,866	15,866
Revenues from Various Other Activities	24,882	-	24,882
Total Revenue	<u>756,237</u>	<u>15,866</u>	<u>772,103</u>
Administrative Expense	204,482	174	204,656
Community Activities Expense	33,876	-	33,876
Health and Safety Expense	224,144	-	224,144
Property and Maintenance Expense	235,781	-	235,781
Security and External Affairs Expense	67,352	-	67,352
Water Quality Expense	<u>44,965</u>	<u>-</u>	<u>44,965</u>
Total Expenses	<u>810,600</u>	<u>174</u>	<u>810,774</u>
Excess of Expenses Over Revenue			
Before Federal Income Tax	(54,363)	15,692	(38,671)
Federal Income Tax Provision	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Expenses Over Revenues Before			
Other Income	(54,363)	15,692	(38,671)
Other Income	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Expenses Over Revenue	(54,363)	15,692	(38,671)
Interfund Transfer	(24,143)	24,143	-
Cumulative Excess of Revenue Over			
Expenses at Beginning of Year	<u>563,966</u>	<u>380,064</u>	<u>944,030</u>
Cumulative Excess of Revenue Over			
Expenses at End of Year	<u>\$ 485,460</u>	<u>\$ 419,899</u>	<u>\$ 905,359</u>

See Accountants' Report and Notes to Financial Statements

**Pines Lake Association
Statement of Cash Flows
Year Ended March 31, 2024**

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	<u>Operating Funds</u>	<u>Reserve Funds</u>	<u>Total Funds</u>
Cash Flows from Operating Activities:			
Excess of Expenses Over Revenues	<u>\$ (54,363)</u>	<u>\$ 15,692</u>	<u>\$ (38,671)</u>
Adjustments to Reconcile Excess of Revenues Over Expenses to Net Cash Provided by Operating Activities:			
Depreciation	43,216	-	43,216
(Increase) Decrease in Assets:			
Prepaid Expenses	-	-	-
Increase (Decrease) in Liabilities:			
Accrued Taxes Payable	20,224	-	20,224
Dues Received in Advance	<u>10,925</u>	<u>-</u>	<u>10,925</u>
Net Adjustments to Reconcile Revenues Over Expenses to Net Cash Provided by Operating Activities	<u>74,365</u>	<u>-</u>	<u>74,365</u>
Net Cash Provided by Operating Activities	<u>20,002</u>	<u>15,692</u>	<u>35,694</u>
Cash Flows from Investing Activities:			
Purchases of Property and Equipment	<u>(63,076)</u>	<u>(22,358)</u>	<u>(85,434)</u>
Net Cash (Used for) Investing Activities:	<u>(63,076)</u>	<u>(22,358)</u>	<u>(85,434)</u>
Cash Flows from Financing Activities:			
Interfund Transfers	<u>(46,501)</u>	<u>46,501</u>	<u>-</u>
Net Cash Provided by (Used for) Financing Activities	<u>(46,501)</u>	<u>46,501</u>	<u>-</u>
Net Decrease in Cash and Cash Equivalents	(89,575)	39,835	(49,740)
Cash and Cash Equivalents at Beginning of Year	<u>98,200</u>	<u>380,064</u>	<u>478,264</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 8,625</u></u>	<u><u>\$ 419,899</u></u>	<u><u>\$ 428,524</u></u>
Supplemental Disclosure of Cash Flow Information:			
Income Taxes Paid	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Accountants' Report and Notes to Financial Statements

**Pines Lake Association
Notes to Financial Statements
Year Ended March 31, 2024**

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Note 1 - Summary of Significant Accounting Policies:

A. Organization and Operations - **Pines Lake Association** (the Association) is a corporation formed to provide recreational facilities and offer community activities to its approximately 675 member households.

B. Fund Accounting - The Association uses fund accounting, which requires that funds, such as operating funds and funds designated for major repairs and replacements, be classified separately for accounting and reporting purposes. Disbursements from the operating fund are generally at the discretion of the board of directors. Disbursements from the reserve fund generally may be made only for designated purposes.

C. Revenue Recognition - Member dues are recognized as revenue in the applicable membership period. Initiation fees are recorded as revenue in the period when the fees are collected.

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, "*Revenue from Contracts with Customers*." This standard, along with its related amendments, requires companies to recognize revenue to depict the transfer of promised goods or services to members in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This update was effective for the Organization beginning in January 2019.

The Organization applied the five-step approach outlined in the new revenue standard as follows:

Step 1: Identify the contract with a customer;

Step 2: Identify the performance obligations in the contract;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations in the contract; and

Step 5: Recognize revenue when (or as) the Company satisfies a performance obligation at a point in time.

The services provided by the Organization to its members and the payment of assessments by the members to the Organization are exchange transactions, having a commercial substance which are subject to ASC 606. The ASC provides a practical expedient that allows a portfolio of

**Pines Lake Association
Notes to Financial Statements
Year Ended March 31, 2024**

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Note 1 - Summary of Significant Accounting Policies: (continued)

contracts to be combined and accounted for as a single contract if this would not yield a materially different result than if the ASC was applied to the contracts individually. The contracts with the members are combined.

Revenue is recognized in amounts corresponding to the amount of the transaction price allocated to each performance obligation as or when the performance obligation are satisfied. Revenues accounted for by the Organization including maintenance and management services, are properly recognized on a per-day basis and revenues related to capital projects are properly recognized as those funds are expended. Special assessment revenues will be recognized based on the unique purpose of the special assessment and may be recognized at a point in time or over time depending on the circumstances.

D. Property and Equipment – The Association’s property and equipment consists of a lake, beaches, bridges, walkways and various improvements and equipment on approximately 160 acres of land in Wayne Township, New Jersey. All property and equipment is stated at cost and depreciated under the straight-line method. Depreciation is provided in amounts sufficient to write-off the cost of depreciable assets over their estimated useful lives, as follows:

Improvements	10-20 years
Furniture and Equipment	3-7 years

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized.

E. Income Taxes - The Association files its income tax return as a regular corporation. Internal Revenue Code Section 277 and Internal Revenue Service Revenue Ruling 70-604 were utilized. Under this method current excess membership assessments, if any, are carried over to the following operating year and are not included in taxable income to the Association. Investment income and income from non-membership activities is included in taxable income and a portion of Association expenses is allocated to such income.

F. Cash and Cash Equivalents - For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

**Pines Lake Association
Notes to Financial Statements
Year Ended March 31, 2024**

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Note 1 - Summary of Significant Accounting Policies: (continued)

G. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts during the reporting period and at the date of the financial statements. Actual results could differ from those estimates.

Note 2 - Concentration of Credit Risk:

The Company, at times during the year, maintains cash balances at financial institutions, which are in excess of the insurance provided by the Federal Deposit Insurance Corporation.

Note 3 - Income Taxes:

The provision for federal income taxes is as follows:

Current Provision	<u>\$0</u>
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Note 4 – Sales Tax Ruling:

The Association received an opinion from an independent consulting firm dated March 19, 2024 regarding the application of the New Jersey Sales and Use Tax Act to fees charged by Pines Lake Association. The firm concluded that the fees charged to members of the Association are not taxable. These fees are required as a condition of membership in good standing and the fees are used for general operating costs of the Community, not just for the right, privilege or entitlement to use the Associations facilities.

Note 5 – Future Major Repairs and Replacements:

The Association's governing documents do not require the accumulation of funds to finance estimated future major repairs and replacements. The Board of Trustees has designated certain operational funds for future repairs and replacements. However, the amounts designated may not be adequate to meet future needs. If additional funds are needed, the Corporation has the right to increase member assessments or levy special assessments, or it may delay major repairs and replacements until the funds are available. The Association uses the services of a professional engineering firm specializing in dam maintenance and safety, and this firm is satisfied as to the current condition of the dam. It is the opinion of the Board of Trustees that the Association is sufficiently reserved for expected future repairs and maintenance, which are scheduled to or likely to occur.

**Pines Lake Association
Notes to Financial Statements
Year Ended March 31, 2024**

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Note 6 – Subsequent Events:

Management has evaluated subsequent events through January 31, 2025 which is the date these financial statements were available to be issued.

In April of 2024 the Association began crediting the members annual dues billing for their proportionate share of previously charged and collected sales tax that had not been remitted to the State of New Jersey due to the opinion letter received on March 19, 2024.

Supplemental Information

Pines Lake Association
Schedule I - Administrative Expense
Year Ended March 31, 2024

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	Operating Funds	Reserve Funds	Total Funds
Salaries & Payroll Taxes	\$ 37,641	\$ -	\$ 37,641
Insurance	72,901	-	72,901
Utilities	2,027	-	2,027
Property Taxes	47,047	-	47,047
Professional Fees	27,125	-	27,125
Office/Web/Third party	10,825	-	10,825
Other Expenses	6,916	174	7,090
Total Administrative Expense	<u>\$ 204,482</u>	<u>\$ 174</u>	<u>\$ 204,656</u>

Pines Lake Association
Schedule II - Community Activities Expense
Year Ended March 31, 2024

	Operating Funds	Reserve Funds	Total Funds
Activities	\$ 33,876	\$ -	\$ 33,876
Total Community Activities Expense	<u>\$ 33,876</u>	<u>\$ -</u>	<u>\$ 33,876</u>

See Accountants' Report

Pines Lake Association
Schedule III - Health & Safety Expense
Year Ended March 31, 2024

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	Operating Funds	Reserve Funds	Total Funds
Salaries	\$ 195,036	\$ -	\$ 195,036
Payroll Taxes and Workers			
Compensation Insurance	18,388	-	18,388
Beach Related Supplies	<u>10,720</u>	<u>-</u>	<u>10,720</u>
Total Health and Safety Expense	<u><u>\$ 224,144</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 224,144</u></u>

Pines Lake Association
Schedule IV - Property & Maintenance Expense
Year Ended March 31, 2024

	Operating Funds	Reserve Funds	Total Funds
Salaries	\$ 68,024	\$ -	\$ 68,024
Payroll Taxes and Workers			
Compensation Insurance	6,032	-	6,032
Maintenance and Landscaping	99,376	-	99,376
Utilities	12,041	-	12,041
Equipment and Supplies	7,092	-	7,092
Depreciation	<u>43,216</u>	<u>-</u>	<u>43,216</u>
Total Property and Maintenance Expense	<u><u>\$ 235,781</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 235,781</u></u>

See Accountants' Report

Pines Lake Association
Schedule V-Security and External Affairs Expense
Year Ended March 31, 2024

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	<u>Operating Funds</u>	<u>Reserve Funds</u>	<u>Total Funds</u>
Salaries	\$ 61,372	\$ -	\$ 61,372
Payroll Taxes and Workers Compensation Insurance	5,809		5,809
Supplies	<u>171</u>	<u>-</u>	<u>171</u>
Total Security and External Affairs Expense	<u><u>\$ 67,352</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 67,352</u></u>

Pines Lake Association
Schedule VI-Water Quality Expense
Year Ended March 31, 2024

	<u>Operating Funds</u>	<u>Reserve Funds</u>	<u>Total Funds</u>
Weed/Algae Treatment	\$ 34,024	\$ -	\$ 34,024
Water Quality Testing	5,962		5,962
Geese Program/Fish Stocking	<u>4,979</u>	<u>-</u>	<u>4,979</u>
Total Water Quality Expense	<u><u>\$ 44,965</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 44,965</u></u>

See Accountants' Report