

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 Oscola 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 present 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 19th 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 be 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 Dardia (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 (87 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 made a motion to limit discretionary spending by the Board to \$5,000 or some other amount without public discussion. She

noted that the motion was not seconded because the Association's lawyer advised that a motion was not possible as it involved a bylaw change.

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 Latinicsics (Hawthorne Road) – 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