

Sunrise Lake Property Owners Association, Inc.
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SLPOA Board Meeting
Thursday, April 22, 2021
Held by Webex

Meeting opens with Pledge of Allegiance

Mike DePeri officially calls meeting to Order at approximately 7:09 p.m.

ATTENDANCE

Mike DePeri, President	Present
Walter Tomilowicz, Vice President	Absent
Kim Curulli, Treasure	Present
Alysia Wayne, Secretary	Present
Chuck Roberts, Director	Present
Wendy Westock, Director	Present
Amy Panetta, Director	Present

President's Report:

Mike DePeri: The tonnage on the roads is lifted. We go back to our normal tonnage. During the next couple of months, I would like for you to look at your five-foot easement in front of your house. If you have boulders or obstacles in the way I would like for you to move them back so that our snow plowing can do an effective job and clean the shoulders. Since we had a significant dues increase, I would like to go over some of the thoughts that were in the boards mind when we agreed on that. Mike explained a slide show that he presented. Explained that there was no increase in dues in the last 3 years. Challenges with infrastructure, lawsuits, salt shed, reserves, and vendors.

Financial Report:

Kim Curulli: Financial report was given.

Maintenance Report:

Aly Wayne: The main lake (Sunrise Lake) has an issue with the out-flow pipe. As a board we thought the best thing to do was to replace the whole system rather than just fixing that little hole and when the next time it happens etc. It was cost effective to

replace the whole out flow system. They will be putting in new standpipe and a culvert under the road that goes to rattlesnake creek. They are looking to start on Wednesday of next week but were not sure if that is when they will start. They will first work on the lake side works up to the road and then will close the road for one or two days and then they will finish on the other side. Explains if road is closed that the residents would have to use South Shore Drive. Additionally, we have made some movement on the replacement of the rattlesnake creek culvert. Unfortunately, the DEP decided after we had already submitted the responses to their comments, they wanted the culvert design to the 25-year flood stage not the 10-year flood stage which is standard. We are redesigning that with the engineer. Hopefully, they will get that submitted and then we can move forward with that. Looks like the rattlesnake creek culvert work will get done by mid to late summer.

Committee Reports:

Future Planning Committee:

Aly Wayne: I am going to start the Future Planning Committee back up virtually on webex so that everyone can participate. It will be the first Thursday of every month. The things that we need to look at and work it into the budget this year, next year or in the next coming years, are the mailboxes they are in sad repair. They need some looking after. Figuring out how to move the salt shed from where it is to a better place within our community. We started kind of looking at that. We need a five-year plan that will get us where we need to be with that and the maintenance equipment. These are the first things that we will be working on. It's my hope to get a full picture for the community for the next ten-years of things that we need to focus on having money for and what we are going to do next. The board can work from that document. Move forward on projects. If anyone would like to join our community, you can email me: aly@sunriselake.org I can send you the webex invite.

Events:

Mike DePeri: Lydia Pantoni handles the events committee. The Yard Sale is Saturday, May 29th, from 9:00 am to 3:00 pm. Call the office to sign up. It is a \$10 for a spot and if you clean your spot, you will receive your \$10.00 back. Other communities have their yard sale the same day. On May 29th is the Memorial Day Pool Party in the afternoon.

Old Business:

Aly Wayne asks for a motion to approve the February 24, 2021, Board meeting minutes.

- *Motion made: Aly Wayne
- *Motion Seconded: Mike DePeri
- *6 in favor
- *0 opposed

New Business:

Empire Excavating: \$4,600.00 for heavy equipment use.
7 In favor 0 opposed

Aquatic Environmental Consultant: \$4,280.00 for lake treatment.
7 in favor 0 opposed

Strand Pool Supply: \$6,255.00 for chemical maintenance program.
7 in favor 0 opposed

Strand Pool Supply: \$1,050.00 for pool winterization.
7 in favor 0 opposed

Budget:

Kim Curulli: Explained budget – Residents asked questions:

Resident: Why don't we have a balanced budget?

Kim Curulli: That was because of the expenses that we incurred for the projected future budget that even with the dues increase we are behind without increase the dues in several years the cost of the expenses that we have we are not getting the income that we need.

Resident: Would you adjust the projections to make it a balance budget. Reduce certain expenses. Gave examples.

Kim Curulli: Yes, we discussed each line item and tried to make it conservative as possible. A lot of things that were put on hold because of Covid. There is a lot of work that must be done. Some of these things are projected to be in the budget they are a necessity. We may not be continuing the same line of expenses next year forward. This is what we have work with for the next coming year.

Resident: Why did not get a P&L & balance sheet to see if we are in the red or making a profit.

Kim Curulli: it can be picked up in the office monthly for anyone who would like to view it.

Resident: I suggest for the future that we send out a balance sheet & Profit and loss sheet with the budget, so people have an idea how we are doing.

Resident: 7410: Salt shed: why do we have 12K in one section and 9010: 30K in another section.

Kim Curulli: That is for repairs that we must do under Repairs & Maintenance.

Resident: we have to repair the salt shed before we move it?

Kim Curulli: we are hoping to find a new location before next winter.

Resident: Tractor: we are spending \$5,000 in repairs and \$4,300.00

Kim Curulli: is for the payments for purchasing the Kobota and repairs that are fixing the Kubota.

Resident: Rattlesnake Creek and for Sunrise Lake Pipe: How much will it cost.

Kim Curulli: The rattlesnake creek culvert is estimated for \$30,000.00 and the Sunrise Lake project is budgeted for about \$27,000.00.

Resident: Rubbish removal: Why did it go up to \$7,500.00 this year. Why did that cost increase? Security: \$96,000.00 I do not see them doing all that much. Mostly just parked somewhere and do not respond to excess noise. If we are in that much in a whole for a temporary period for a year. Why do not simply pause the security contract for the year. Use that extra money to make these repairs then rehire security.

Kim Curulli: Rubbish removal increase: garbage is picked up all over the community and dumpster pick up and dumpster day.

Resident: It did not happen last year and increased from last year.

Kim Curulli: last year budget does not show dumpster day.

Mike DePeri: They are parked watching people going through stop sign and doing radar.

Resident: The leak that Mike referred to for \$28,000.00 where is that on the budget.

Kim Curulli: It is an emergency repair. It was not in last years budget or this year's budget. It would come out of the reserve. I believe it would come out of capital improvement. It will be a long-lasting fix.

Resident: Would that be in the projected budget for 2020-2021?

Kim Curulli: We have no idea when it will it's going to be done. We would not be able to put in the budget without having knowledge of when work is going to be completed.

Resident: Make sense. Salt Shed: It will cost \$12,000.00 to repair it and \$30,000.00 to move it?

Kim Curulli: The board is trying to move it but if they cannot, they will have to repair it where it stands.

Chuck Roberts: If it cannot be moved by October then they will have to repair the roof.

Resident: Vehicle: \$30,000.00

Kim Curulli: Looking for a smaller vehicle to pick up garbage etc. The dump truck to be used when it is needed.

Chuck Roberts: It took 4 months to get a fuel pump. John has been using his personal vehicle. We should be able to find something under \$10,000.00.

Resident: It is a possibility with all these variables that we are not really \$85,000.00 deficit on this budget.

Aly Wayne: Its possible, I would caution its very close. Right now, we do not have that mason dump. We cannot rely on Johns personal vehicle. We need to get something for him. We may end up having to buy a brand new one, depending on what we can find out there. The hope is that we can find a good used one for a lesser amount. We will not buy something with all the bells and whistles, just what is needed.

Resident: The bottom line "Net Income" none of these amounts are correct.

Kim Curulli: I cannot speak for the previous budgets. I can address the last line for the 2020-2021 projected line the net income should be the same as net ordinary income.

Mike DePeri: the budget figures are listed from the previous administrative budget.

Kim Curulli: Yes, the previous numbers are from the previous board budget that was sent as is to the residents. I know the numbers may not compute correctly. I really have no knowledge as to why they vary so much.

Resident: I am looking at the budget from the year before. It says the net income was 1225.00 and it says here 834. Something was changed because I have the copy in front of me that was mailed out last year.

Kim Curulli: This information is from copies in the office. This is what was sent to the residents. This is the first year that I worked on the budget. Previous years I do not know how they were inserted.

Resident: I am not going to argue with you, but I have the budget from last year in was 1225 and it was changed to 834. That is not our net income.

Kim Curulli: The numbers that I listed I got from the office.

Resident: Line 7015: Auto: what is that for?

Kim Curulli: Repairs, mileage, gas for the mason truck.

Resident: Line 9110 & 9140: What is the difference

Kim Curulli: Rattlesnake Creek is a major repair. Our accountant suggested we make another line item for that repair. The line item is for just repairs.

Resident: Professional Fee's are for just Attorney?

Kim Curulli: It is for attorney, collection agency, GIS, Engineer, etc.

Resident: We need in deep analysis what we pay for Security and what we get for security. I do not see a lot on that from Security. I have reached out to them some good and some bad. I do not see that they are worth \$100,000.00 a year. That might be something to look into, to save some money.

Mike DePeri: We have not had a good year with our Security company. Some people quit then had new guards then they quit. We have not been paying him that much. We are hoping to have Security up to speed soon. The board is looking into new Security Companies.

Resident: Over the years there has been investment made in saving us money. That would be like things like, mason dump, Kubota, salt shed it seems like are not really saving us money its costing us money. If the salt shed needs to move, then why did we put it there.

Mike DePeri: Unfortunately, the worst time is the wintertime. That entire lot is a maintenance lot. People can not go there to visit the office. There is nowhere to park. Now we are stuck with the problem. We need to move that salt shed. We have people that live in that area that are complaining about the salt shed. Possible of leaching of salt into the aquifers.

Resident: If this salt shed was intended to save us so much money that is why we bought it in the first place. Would there be a lot of money in reserve that have been saved over the years to pay for its relocation?

Aly Wayne: Unfortunately, that is not the case. It should never have been built there. We had other directors when it was done. This board is trying to fix the problem that were created by putting it there. It should have saved us money you are correct. It has not because where it is at and the materials that were used to build it. The canvas roof has been ripped. We had Insurance claim to fix it the first time. It has been fixed several times. It is not in a good location. It is not turned the right way due to the wind. It should be saving us money, but it is not.

Resident: Same goes for Mason Dump that is costing us money. It did not seem to do anything but go around and pick up garbage. We can put a small trailer on a little corolla. The Kubota was bought to save us money and seems to be costing us money. 19 & 20 thousand payments on it.

Mike DePeri: I will give you an example: One of our vendors this year wanted to bring machines in, and they wanted to charge \$2,000 to bring on-site and \$200.00 an hour for a minimum of 8-hour use and \$200.00 an hour after that. So, yes indeed we are saving money with the Kubota. We use that to move materials around to bring materials inside the salt shed and to load materials onto the trucks. Thankfully, it is in pretty good shape.

Resident: Are we still making payments on it?

Aly Wayne: We owe \$4,245.00 on this budget. We owe about 6 payments left total.

Resident: Materials that are left in the salt shed, are they mixed with salt.

Mike DePeri: I did ask John to leave as little materials as possible. There should be very little materials in there.

Resident: I just walked over there and did see materials in the back. I just wanted to know if it is mixed with salt. We are going into the rainy season. That is the problem that the canvas is ripped, water is going in there. It's not going into the catcher. If you can get back to me with what materials are in there. We really should dump Security. On the main drive they do not stop speeders.

Mike DePeri: The level of discussion that we are hearing tonight. The board would be interested in moving on that more quickly and see what we can do.

Aly Wayne: We discussed at our last work session. We wanted to form a committee of board members and residents to discuss how to move forward with Security. To find a new company, bring it in-house, or completely get rid of it. Fix the issues that we are having with Security. I do not have any meeting times set up yet. If anyone is interested in joining that committee, please email myself or Brittany. They will be on webex.

Resident: Professional Fee the actual was \$5,800.00 for 20-21 and for 17,985 for 21-22 is a \$14,000.00 difference. That is a big difference.

Kim Curulli: There is a lot of extensive engineering request. We have a lot of repairs.

Resident: Have legal fees increased?

Kim Curulli: We have budgeted to remain the same. They were a little higher last year but for the budgeted year it was standard what we expect for the lawsuits that are still going.

Resident: 2 lawsuits: Who are they and what is our exposure?

Mike DePeri: The one lawsuit is the insurance company is suing us not for monetary purposes just to get out from having to covering us. They claim there is a clause in the policy that enables them not to cover us. If we lose the suit, it will cost about \$15,000.00. The second suit we should not discuss.

Resident: Who is suing us? Is it a resident of Sunrise Lake? Is it from Section 9? We should know if we are being sued, we are the defendants.

Mike DePeri: It is someone from the Sections. No sure which section. Something is wrong in her tank. They are claiming that we did something. Engineers had gone there and show the construction inside the tank was done incorrectly. Our lawyer is currently paid for by Cincinnati feels that we have a very good case against them.

Resident: Would like to see community slide again.

Mike DePeri: Explains comparison of dues with other communities.

Resident: I lived here when we did not have Security. There was atv's, graffiti and a lot of trash. Lot of that has stopped since we had Security. I am not sure if Security is doing it, but somebody is doing it.

Mike DePeri: It is our rules and regulations, the only way we can enforce is our rules & regulations is through Security. Security is also here for safety. At the bus stops they keep the children safe. Security helps stop drug drops.

Resident: I believe we should have a conversation about Security.

Diane Meyerhoff: Dumpster Day: We were supposed to have it in the Spring of 2021.

Mike DePeri: We are planning on having it in the fall. At the last work session, we talked about it, we are just a little unsure at this point as how safe we will be doing that.

Resident: I do not understand what the problem is. If you need volunteers to help that is a different story. We can ask volunteers to help on dumpster day. Its outside people are masked. I do not understand what the safety reasons are for not having a dumpster day.

Mike DePeri: We can discuss again at a work session.

Resident: Why are we considering having the yard sale at the ballfield and not at the entrance like we have in the past.

Aly Wayne: We did discuss it extensively at our last work session. Doing it at the ballfield will allow more space and that we can socially distant everybody.

Resident: You will have people come through our community. We cannot social distant up at the front?

Aly Wayne: It was a big discussion. We felt it was better to socially distance at the ballfield.

Resident: I understand things are going up and prices are going up. Got all that. You guys are trying to do a wonderful job. I do not care what all the other communities are doing.

Mike DePeri: I apologize for offending you. Our budgets are tight and trying to keep pace. The future is to build an adequate reserve and improving the community. Emergency situations are popping up like crazy.

Resident: I just do not like being compared to other communities. I do understand emergency situations. I do understand why the dues went up.

Resident: Rule 2.10: board to revisit rule. Please add clarity to rule. Rule 2.17: there are a lot of properties that have unregistered vehicles, garbage etc.

Mike DePeri: We address these issues; people do get fines. We are trying to deal with it better. Discussion continued with Kim Curuilli.

Resident: 8004: Playground \$800.00. Mulch needs to be refilled. Turf Road Gate: What is going on with that? It should be closed. It cost a lot of money. People cut through.

Amy Panetta: The last meeting we discussed that the battery needed to be replaced for the keypad. The weather we could get to it. Ramagosa owns the property.

Resident: Reserve Study Specialist that you spoke about.

Kim Curulli: Reserve Study Specialist takes in to account all the amenities and capital improvements and they do a projection of the repairs and depreciation between 1 year, 2-year, 5-year 10 year, and 20 years. We held off on it because we are having several repairs done. They consider roads; amenities and they determine what needs to be focused on regards with repairs immediately vs what needs to be done in the next 20 years.

Resident: Are we paying for that.

Kim Curulli: We have not spent any money on that. We will be meeting with them.

Resident: In August, the Future Planning Committee sent out a survey. I think the homeowners should be able to see that. Can you put it in the newsletter or show what the outcome was?

Aly Wayne: It was not a statistically significant example of homeowners. Just under 60 people responded. With 1200 + lots. That is statistically significant to say yes or not to those questions.

Resident: I still think that the 60 people answered the questionnaire. So put it out there. There is nothing to hide.

Resident: Mike before you reference the reserve balance when you took over. Did I hear that you said it was \$20,000.00?

Mike DePeri: I believe it is \$90,000.00. Kim Curuilli confirmed.

Resident: Would we ever think about doing a yearly Audit from an accountant? I do not think we every had one done.

Kim Curulli: We spoke to the accountant. I believe an audit was done about 5 years ago. Unless the bookkeeping is not being done right, I believe our accountant checks over our books and he recommended that we look into the reserve study.

Resident: Who is our accountant?

Kim Curulli: Scott Myer from Myer & Myer

Resident: Who is up for Election?

Mike DePeri: Me

Aly Wayne asks for a motion to close the meeting at 9:02 p.m.

*Motion made: Aly Wayne

*Motion Seconded: Mike DePeri

*6 in favor, 1 absent

The minutes are respectfully submitted to the best of my ability.

Alysia Wayne

Secretary

S.L.P.O.A., B.O.D.

Date

DRAFT