

Report of the President -- MIPOA 2024 Annual Meeting

((Jeff Walker))

MIPOA

For those who are new to the Island, MIPOA is incorporated under the laws of the State of Connecticut and is a voluntary membership organization of property owners within the Mason's Island Fire District. The primary purposes of MIPOA, as detailed in the Bylaws is to:

- 1) Enhance the enjoyment and welfare of property owners
- 2) To negotiate agreeable arrangements on behalf of property owners
- 3) To represent collective interests of members in various proceedings
- 4) To acquire and hold property, including roads and to provide for road management, maintenance and construction

To maintain the privacy of the roads on Mason's Island, MIPOA owns the roads. It oversees the maintenance of those roads by working closely with the Masons Island Fire District: MIFD.

MIPOA also regularly communicates items of interest to its members and from time to time organizes community events and gatherings.

MIPOA Priorities in the past year

We had our usual share of regular MIPOA business in the past year which is primarily around road and property maintenance, and addressing property owner concerns and disputes.

But a significant portion of MIPOA board attention in the past year was on the status of MICO assets being offered for sale. Several years ago MICO announced at this meeting that the entire company was being rolled up for sale. While that did not materialize, recently, the company has been listing or offering individual properties for sale. By previous agreement, MIPOA has right of first refusal on the sale of any MICO non-developable assets.

Because many of these MICO properties are amenities that property owners have long enjoyed, The Board felt it was important to have experienced legal counsel advise us regarding our rights to these properties. After considerable discussion and research, a key finding of the law firm confirmed that:

“...MICO amenity real estate (things like the docks, the Pond and the Nature Conservancy land) is subject to substantial vested rights which exist in favor of MI property owners, and which, should MIPOA not exercise its right of refusal, any acquirer would need to respect...”

In other words, property owners have legal rights to enjoy amenities on the island in the same manner that they have historically.....regardless of who owns those amenities. We believe it was important to establish a legal foundation for these rights and we believe we have. Of course with any legal work, it was expensive to do so.

Nature Conservancy Land

On February 26 of this year, MICO received an offer of \$165,000 from the Mashantucket Pequot Tribal Nation for the roughly 37 acres of protected Nature Conservancy land in the center of the island. MICO accepted the offer — and as required, provided a 60 day notice to MIPOA to exercise a first right of refusal to purchase it.

After an open informational meeting and discussion, a special meeting was called for and on April 13th; MIPOA members and MIFD residents voted overwhelmingly to exercise the right of first refusal and purchase the land. The hand counted ballot vote at the MIFD meeting was 102 to 5.

As of this moment, the title search work on our end has been done, and we are awaiting the draft closing documents from the seller. Our expectation is that the closing on the land purchase will occur next week.

Other MICO Properties

MICO has distributed lists of assets and engaged with various property owners on the potential sale of other properties, but the only publicly listed MICO asset currently is the Pond. The MIPOA board will continue its attempts in the coming year to engage MICO around property acquisitions that would be in the interest of property owners.

Bylaw Change

The current MIPOA Bylaws give the board power to acquire or sell property, but do not require MIPOA member approval for those transactions. In a new business item later in this meeting we are recommending that the sale or purchase of properties be subject to the approval of a majority of members at a duly called meeting.

MIPOA Finances

MIPOA's only source of revenue is voluntary dues from property owners. For many years, those modest revenues have been used to purchase liability insurance for the roads and to cover some small administrative costs. In the last 2 years that has dramatically changed.

As you will see in the Treasurer's report from Annalise, MIPOA legal expenses have gone from virtually zero 3 years ago, to over \$12,000 two years ago, to over \$25,000 in the current year. 100% of these costs are related to discussion around the sale of MICO assets.

Some of those legal fees have been paid out of the MIPOA contingency or "rainy day" fund, which is now down to \$4,000, some were paid from budgeted "transition costs" fees from MIFD, and for the balance we have had to rely on private donations. We are taking whatever steps we can to minimize legal expense, but we believe it is critical to have competent legal support when dealing with properties that impact property owners. *As a heads up, you should be aware we may need to once again seek private donations to cover legal costs depending on the scale of further legal services that may be required*

MIPOA Dues

To rebuild the “rainy day” contingency fund I referenced earlier, and to account for a significant increase in the cost of liability insurance, the MIPOA board has recommended a dues increase for the coming year from \$75 to \$100 per household, something we will vote on later with the MIPOA budget.

MIPOA Board

This year of course we lost Jeff Walker, and we are also losing Betsie Lebel who has served on the board for 6 years, and Patty Messina who has served for 3 years. At the same time, we are excited to welcome Jean Anderson, Rod Cook, and Dan Walz, who have agreed to join for the coming year.

Thanks

Finally, as demonstrated by the attendance at special meetings and this annual meeting — we are fortunate to have an active, engaged group of property owners. There is a tremendous and unique community spirit here and I speak for the full board that we’re grateful to be a part of. We are also grateful for the active involvement of so many property owners in the important work of the property owners association.

Finally, I’d like to especially thank MIPOA board members who volunteer their time, Rufus Allyn who serves as our Roads Manager, and also to numerous others who have stepped up to informally volunteer their time and perspectives on the issues facing the island.