Masons Island Property Owners Association

Annual Meeting Minutes May 25,2024

Present: Bill Pryor, Betsie Lebel, Bailey Briggs, Annalise Marcus, Bob Domurat, Pat Messina and a quorum of MIPOA members.

The meeting was called to order by President Bill Pryor at 11:30 AM and a quorum was confirmed.

1. The Minutes of the MIPOA Annual 2023 meeting were approved after a motion was duly made and seconded.
2. Presidents' Report - Bill Pryor presented the attached Report of the President with respect to MIPOA business over the last year. In addition to addressing property owner concerns around road and property maintenance, Bill reported that a substantial portion of board attention was spent in securing legal work concerning MIPOA's rights in the non-developable assets of Masons Island Company (MIICO), some of which were being offered for sale by MICO. Bill reported on the Special Meeting of MIPOA members and MIFD residents that the voters overwhelmingly approved exercising the right of first refusal to purchase the roughly 37 acres of Nature Conservancy land in the center of the island from MICO for $165,000, matching the offer MICO had received from the Mashantucket Pequot Tribal Nature. Bill also reported that after considerable discussion and research by legal counsel retained by MIPOA, should MIPOA not exercise its right of first refusal for any MICO non-developable properties, any acquirer would need to respect the vested rights of property owners over those properties to the same manner as those amenities have been enjoyed historically by property owners.
3. Secretary's Report - Pat Messina read the attached Secretary's Report, which confirmed that a quorum was present at the nine regular board meetings and one special meeting of MIPOA.
4. Treasurer's Report - Annalise Marcus presented the attached Treasurer's Report which showed a substantial increase in legal expenses related to discussions around the sale of MICO assets for the fiscal year 2023-2024. Some of those legal expenses were paid out of the MIPOA contingency or "rainy day" fund, some from budgeted "transition costs" fees from MIFD, and balance from private donations. The budget for 2024-2025 includes an increase in dues for the coming fiscal year from $75 to $100 per household to rebuild the "rainy day" contingency fund and to

account for a significant increase in liability insurance. The Treasurer's report, including the budget, was approved after a motion was duly made and seconded.

5. Reports from the Committees.
    a. Bailey Briggs presented the Architectural Review Committee report which covered the development and improvement plans for those properties on the Island brought before the committee, including 11 School House Rd., 4 Allyn's Alley, and 48 Money Point Rd.
    b. Betsie Lebel reported on the Property Maintenance Committee. Most of the issues brought before the committee have been to settle concerns between abutting or nearby properties regarding Boats, Bushes, Trees, and Rights of Way. MIPOA's primary goal is to maintain good relationships among neighbors in our wonderful community.
    c. Bob Domurat presented the Roads/Facilities Committee report. He reported that after inspecting the roads on the Island the majority of the roads are in good shape with the exception of Black Duck West Road. Plans are to pave that road in the fall. Bob mentioned that he will be working with Tom Giola, the new member of the MIFD Facilities Management team.
    d. Cathy Marco reported on the Nominating Committee and mentioned that the new board members up for nomination were Rod Cook and Dan Walz, and Jean Anderson as Secretary. They will join Bill Pryor, President, Bailey Briggs Vice President, and Bob Domurat, Director.
    e. Pat Messina reported that she welcomes new MIPOA members Alice Ritchie, Sean and Ashly Heyniger, and Nancy and Michael Levin.
6. Election of Directors and Officers - After a motion was made and seconded, the members voted in favor of Rod Cook and Dan Walz as directors and Jean Anderson as Secretary.
7. Unfinished Business - Bill Pryor reported that the acquisition of the roughly 37 acres of Nature Conservancy land in the center of the island from MICO for $165,000 is expected to close at the end of the month and that the funds for the purchase have been transferred from MIFD to MIPOA to fund the purchase, and are being held in escrow by the law firm.
8. New Business – Proposed Amendment to the MIPOA Bylaws - Bill Pryor discussed the proposal to amend Article VI of the MIPOA bylaws to include a new paragraph 3 that states, " No real property owned by MIPOA shall be bought, sold or transferred by the Officer or Directors unless specially authorized by the membership of MIPOA at a duly called and convened meeting of the membership." Bill confirmed that notice of the text of the proposal was made in conjunction with the annual meeting and in accordance with the MIPOA bylaws and that approval requires the vote of at

least two thirds of the majority of members present at the meeting with a quorum of a minimum of twenty-five members. Confirming that the quorum and notice requirements were met, more than two thirds of the members present approved the bylaw amendment after a motion was duly made and seconded.

9. Other Business – Bill Pryor thanked departing board members Betsie Lebel, former President and Vice President of MIPOA, and Pat Messina, Secretary for their service, and Rufus Allyn who serves as Road Manager. Bill made special mention of the passing of Jeff Walker, and Jeff's many contributions to the MIPOA board and to the Masons Island community over the years. Bill noted the board was grateful for the active involvement of so many property owners in the important work of MIPOA, and to the numerous others who volunteered their time and perspectives on the issues facing the island.

The meeting was adjourned at 12:09 pm.

Respectfully submitted,

Pat Messina, Secretary

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 expenses~~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, Rob 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.

MIPOA annual meeting - May 25, 2024 - Treasurer's report

The budget report for the 2023/24 fiscal year, which ends on June 30, has been passed out. This page includes the proposed budget for our upcoming fiscal year July 1, 2024 through June 30, 2025.

Once again this year we had very good community participation in paying the annual dues, which is a very heartening sign of positive community engagement with MIPOA and support for the needs of the whole community – most importantly paying for the liability insurance that we carry for our roads and MIPOA property.

Just a few notes on the budget you see here –

1 - You do not see the $165,000 we received from MIFD to buy the Nature Conservancy land. Those funds are waiting in escrow for the closing that is scheduled to take place next week.

2 - Legal costs – the total shown here of $24,303 is for legal costs incurred thru the end of April for work in regard to the land purchase. This cost is not complete, we will receive another bill for work done through the end of May, which should take us through the closing. On the Revenue side we did receive donations of $5,500 toward these costs and MIFD has a fund for "Transition Costs" that will reimburse us up to $6,000 per year for these types of costs. Since our funds are getting low we accessed that option.

These legal costs are why we have a deficit on our annual budget. The additional funds to pay those bills came from our "Rainy Day" fund, which is getting low (note 3) so as Bill mentioned, we may seek donations from the community to help defray these costs. Our thinking for the upcoming fiscal year is that it is just not possible to predict these legal costs so they may have to be a category for which we have to seek donations.

3 - Regarding insurance – the cost of Liability insurance continues to rise. This year's total insurance costs are projected to be in the neighborhood of $9,000, compared to $5,500 just 4 years ago. In the coming year the MIPOA board plans to explore insurance alternatives…..frankly, we could use some help.. If any community members would like to be part of that work please let us know, we would welcome volunteers.

4 - Real estate taxes - a new budget line for us. With the planned purchase of the Nature Conservancy lots we will have responsibility for paying the real estate taxes on that land. Based on a Mill Rate of 17.77 the annual taxes for those 4 lots should be just under $2,000.

Looking at the proposed budget for 2024/25 FY.

Today we will propose a $25 annual increase in dues to $100 per year per household. At this dues level, with the continued good participation, this dues revenue would cover our insurance and administrative expenses and allow us to begin the process of rebuilding our reserve fund.

Mason's Island Property Owners Association, Inc.

2023 - 2024 Budget – Projected & Actual

2024 - 2025 Proposed

	2023-2024 Budget	2023-2024 Actuals (as of 5/21/2024)	2024-2025 Proposed Budget
Property Owners	193	193	194
MIPOA Member	90% (174)	91% (175)	90% (175)
Dues	$75	$75	$100
Revenue			
Dues	$13,050.00	$13,125.00	$17,150.00
Donations to legal fund		5,500.00	
From MIFD - "Transition Costs"		6,000.00	
Interest	3.00	2.00	3.00
Total revenue	$13,053.00	$24,627.00	17,153.00
Expenses			
Corporation	$200.00	$150.00	$150.00
Insurance	7,200.00	8,494.00	9,500.00
Internet	400.00	447.00	550.00
PO Box	220.00	216.00	225.00
Acct & Audit	100.00	0.00 (* 1)	100.00
Legal	500.00	24,303.00 (* 2)	500.00
Welcome	100.00	0.00	100.00
Misc	200.00	291.00	200.00
Real Estate tax - Nature Conservancy land			2,000.00
Total expenses	$8,920.00	$33,901.00	$13,325.00
surplus/deficit	4,133.00	-$9,274.00 (* 3)	4,000.00

*1 - Fred Lebel donated his time to file annual tax return

*2 - this reflects legal costs through April 30, 2024, there will be a bill for work in May 2024

*3 - overage came out of "rainy day" fund – in our bank account as of today $4,700.00

Mason Island Property Owners Association

Annual Report of the Secretary

May 25, 2024

1. MIPOA held 9 regular meetings and 1 Special meeting this year.
2. A Special Meeting was held to approve the exercise of the Right of First Refusal to purchase the Nature Conservancy Land from MICO which MICO had an offer to sell to the Mashantucket Pequot Tribe for a price of $165,000.00.
3. Two committees were formed during the year, the Roads Committee now known as the Facilities Committee led by Bob Domurat and the Pond Committee led by Dan Ross.
4. The MIPOA board sent flowers to the Walker family and held a moment of silence for the passing of Jeff Walker, former MIPOA secretary and Board member.
5. MIPOA welcomed new members Alice Ritchie, Sean and Ashly Heyniger and Nancy and Michael Levin.
6. Betsie Lebel's term is coming to an end. Many thanks to her for all her enthusiasm and hard work and for assuming many MIPOA board roles, including both President and Vice President of MIPOA. Pat Messina's term is also ending as Secretary.
7. New Nominees to the MIPOA board are Rod Cook and Dan Walz, as well as Jean Anderson as Secretary, all with terms ending in 2027.
8. The officers for the new year are Bill Pryor, President (term ending in 2025), Bailey Briggs, Vice President (term ending in 2026), Annalise Marcus, Treasurer (term ending in 2025), and Jean Anderson, Secretary (term ending in 2027).
9. Many thanks to Bill Pryor for his leadership in coordinating with outside legal counsel on the purchase of various MICO properties and leading discussions on the rights of MIPOA residents regarding those properties.

Respectfully submitted, Pat Messina, Secretary