

SHERMAN PINES HOMEOWNERS' ASSOCIATION, INC.
Edgewater Management Group, LLC

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November 2nd, 2022

21 homeowners attended the Zoom virtual meeting or voted by proxy for the 2022 Annual Meeting

Meeting started at 7:03 PM and ended at 7:56 PM

Sherman Pines Annual Homeowners Meeting
November 2nd, 2022
7PM
Zoom Virtual Meeting

Scott Wiggins, Brendan Graney, Ryan Dickey, Jared Burns

Agenda

- Call to Order
- Approval of Annual Meeting Minutes 2021
- Treasures Report
- Treasures Report - Past Due
- Septic Update
- Septic Update - Pumping & Leach Fields
- Septic Update - Leach Fields (Facts & Figures)
- 2023 Budget
- Improvements
- Board Notifications
- By-laws - Path Forward
- Election of Board Members
- Questions/Open Discussion

Treasure Report

- Budget
 - ▶ The overall budget is over in a few areas. The expenses running over budget are grounds (entrance enhancements) and administrative/postage (additional mailings done in 2022)
 - ▶ We did not move any money to CD's. The interest rates are still very low.
 - ▶ The leach field reserve is not enough to cover all expected failures using the current costs. The last projection was based on a 2021 leach field cost of \$22.19 per square foot.
 - ▶ The board felt for the 2022 budget that we would raise the dues to \$48. This is the first increase since we had a \$1 per month increase back in 2018

- CD/Reserve Funds (Balances as of October 2nd)
- \$189,137.52 CD at Hudson River Credit Union
- \$32,234.41 CD at Key Bank
- \$38,489.22 Checking, \$16,511.65 Money Market (Balances as of October 2nd)
- Total Reserves: \$276,373 (including 38.4K of operating checking)

Treasure Report - Past Due

- Past Due Account Totals
 - \$1,201.97 Past Due as of October 17th, (\$6,624 - 2008 Meeting, \$10,135 - 2009 Meeting, \$12,450 - 2010 Meeting, \$11,011.50 2011 Meeting, \$12,737.50 2012 Meeting, \$14,069.50 - 2013 Meeting, \$14,984.50 - 2014 Meeting, \$20,832 - 2015 Meeting, \$12,956 - 2016 Meeting, \$13,869.42 - 2017 Meeting, \$14,665.27 - 2018 Meeting, \$11,027.27 - 2019 Meeting, \$7,313.97 - 2020 Meeting, \$4,071.97 - 2021 Meeting)
 - Past due amounts include any lawyer fees that have been added to the homeowners
 - Lien in the amount of \$754.21 (Homeowner has been paying \$300 per month, but has not been consistent lately and we have a court order with this amount specified)
 - Lien in the amount of \$292.76 (homeowner is paying \$75 per month)
 - Past due \$155
 - We had four homeowners that were still due for October payment on the 17th.
 - Overall, the past due has seen another major improvement in 2022, we have everyone paying with some homeowners falling behind 1-2 months and then catching up. The two large past due balances are paying consistently now.

Septic Update

- Septic schedule - Scheduled in 2023
 - Autumn 5, 6, 9, 10, 15, 16, 19, 20, 23, 24, 28, 29, 34, 35, 36, 38, 39, 43, 44, 48, 51, 52, 57, 58, 59
 - Peachtree 9, 19, 25, 39, 48, 51, 55, 67, 68, 73, 78, 81
 - Fawn 3, 5, 9, 10, 13, 16, 17, 20, 24, 25, 34, 38, 42, 46
- Septic schedule - Pumped in 2022
 - Autumn 30, 54, 56
 - Peachtree 7, 8, 12, 18, 20, 29, 33, 38, 42, 43, 44, 47, 52, 56, 60, 61, 64, 70, 74, 82, 85
 - Fawn 2, 21, 29, 30, 33, 37, 41, 45
 - The Stone invoice was \$11,021.54. \$8,160 pumping, \$1650 dig fee, \$721.40 Tax, \$490.14 Fuel Surcharge
 - \$255 per house plus tax x 32 homes, \$55 dig fee plus tax x 32 homes, \$35 plus tax for three filter cleanings
 - Note: \$205 and \$35 was used for the 2022 budget and this cost is going up each year

Septic Update - Comparison to single family home not in a HOA

- Septic estimate for single home in Queensbury for 20 yr.
 - Single home in Queensbury with a 20-year leach field life expectation
 - Assuming that the leach field is 405 square feet @ \$22.19

- per foot
- \$8987 would be needed
- \$37.45 would need to be saved each month for 20 years
- Sherman Pines Current Leach Field Savings
 - Based on our reserves of about 9-10K per year, we put in on average \$9-10 per month per homeowner. After 20 years, we saved \$2160-2400 per homeowner

Septic Update - Pumping & Leach Fields

- Brush Hog
 - We did not brush hogged in 2022. We will brush hog again in the fall of 2023.
- Leach Field Failures
 - We had no failures in 2022.

Expected Costs

- Based on the last two leach fields (2021) and if we use the cost per square foot of \$22.19.
 - 18 x 1250 s.f = \$582,488
 - 2 x 800 s.f = \$35,504
 - 18 x 405 s.f. = \$143,791
 - Total: \$761,783
- The last two leach fields that we replaced have been in the 8-9K range for a single house leach field. This number can go up and down depending on the engineering work that is required, the amount of soil that may be needed for the right perk test, etc.

Septic Update - Leach Fields (Facts & Figures)

- The board uses a 20-year leach field projection Excel file that we have used for budget forecasting
- We have 39 total leach fields. This was 38 in past projections, see note below*
- We have replaced 10 since the original leach fields have been installed
- In 1994, we had 13 leach fields installed. 7* have been replaced and 6 are going on 29 years of use. *We had a leach field that was a triple that is confirmed to be a double and single.
 - 3 are three house leach fields, 1 double house leach field, and 2 single house leach field
- In 1995, we had 4 leach fields installed. None have been replaced so far
 - 1 are three house leach fields and 3 are single house leach fields
- In 1996, we had 7 leach fields installed. None have been replaced so far
 - 3 are three house leach fields and 4 are single house leach fields
- In 1997, we had 5 leach fields installed. None have been replaced so far
 - 2 are three house leach fields and 3 are single house leach fields
- In 1998, we had 2 leach fields installed. None have been replaced so far
 - 1 are three house leach fields and 1 is a double house leach fields
- In 1999, we had 3 leach fields installed, None have been replaced

so far (All are three home)

- In 2000, we had 2 leach fields installed, None have been replaced so far (1-single home, 1- 3 homes)

Septic Update - Leach Fields (Facts & Figures) - Summary

- The board has traditional used a 20-year projection, but we have extended that to 25 years based on our current life expectancy projections. We have some leach fields that were installed back in 1994 and still operational. 2019 would have been 25 years for these leach fields.
- Based on a 25-year projection, we have a shortfall in 2022 of \$-106,588 and in 2023 we are \$-142,077
- 25 Year Worse Case
 - If all of our leach fields fail in a short period of time, a special assessment will be needed to generate the funds for new leach fields. This assessment based on the 25 year would be \$-106,588 by 83 homes or \$1284 per year or \$107 per month.

2022 Budget - Draft

Improvements

- Green Day
 - Was skipped in 2022
- Annual Garage Sale (June 11th 2022)
 - We plan to fund this each year as an association
- Common Land Trees
 - We continue to have a lot of tree requests either in the common land or on homeowner property
- Entrances
 - We have installed lighting, power, sprinkler systems, grass, a water spigot for sign washing, and some landscaping to both entrances. In the Spring of 2023, we plan to power wash the signs and finalize the landscaping with some flowers.

Board Notifications

- Trees
 - Any common area trees that seem to be in danger need to be brought to the board's attention; the board does NOT inspect the common land area unless requested and we do not want anyone getting hurt by trees that appear to be a danger. Any trees on homeowner property needs permission from the board BEFORE removal
- Additions/Improvement to the exterior of Homes
 - Any additions/changes to the exterior of homes need to be submitted to the board for approval
- Thank you for your attention, we do not want to start fining people for not following the HOA rules and regulations.

By-laws - Path Forward

During the 2016 Annual Meeting, it was decided to rework the by-laws but the committee that was formed did not finalize anything.

We have a draft of changes and if we have homeowners willing to take the lead on this one to get them finalize and approved then we can get them available for a vote and approval.

We need to get a majority of the homeowners to sign the change or they are not valid and the board cannot make changes to the existing by-laws.

The main complaints with the existing by-laws are around:

- Boats (should not be stored or parked for extended periods of time)
- Campers (should not be stored or parked for extended periods of time)
- Fences (old style stockade fencing only)
- Nothing has been done again with this topic. We would welcome a homeowner committee to take this topic and get the needed votes to change any by-laws. We will revisit in the Spring 2023

Election of Board Members

- We currently have four board members, five board members are needed.
- The board has traditionally appointed new members due to lack of interest, but we have 4 candidates for the 2022 election and voting for candidates is important in 2022 so please send your ballot into Edgewater.
- The high-level commitment to the board:
 - Email communication for approvals or discussion
 - 1-2 hours per month maximum
 - Annual meeting preparation and some topics (Septic Pumping, etc.) may require more time but it is not a huge commitment of time to be on the board
- Election 2022 Process:
 - All homeowners will vote via ballot since no physical meeting will happen
 - Votes can be faxed, emailed, or mailed to Edgewater (instructions will be on the ballots)
 - We need to have 42 homeowners to meet the quorum that is needed for an official election
 - If we do not a quorum, the board has decided on the following process to maintain consistency with previous years
 - The four candidates will stay after the annual meeting and do a brief introduction and summary of themselves
 - The board (minus any board members up for reelection) will hold a session after the four candidates drop off of the Zoom call and select the three members that they feel most qualified to be appointed to the board
 - These new candidates will serve a normal two-year term until reelection

Board Election Results

The following three candidates were elected to the board of directors for a two-year term.

- Ryan Dickey
- Brendan Graney
- Scott Rogers

Questions/Open Discussions

- Are the tanks included in the leach field projections - the answer to that is no, the tanks have a life expectancy of 30-50

years. We will start to estimate the replacement of tanks at the 40-year mark into our future projections.

- Is the insurance line item in the budget shopped out and what is included in it - the answer to this was that we use Associates of Glens Falls for our insurance and will need to check if it is shopped out or not. We changed to Associates of Glens Falls some years ago, but this line item is not known if it is "shopped out" but will be taken into consideration for the 2023 premium. As for what is included in the line item, it is mainly liability for the common areas and officer insurance for the board of directors.
- Some comments were made on a spelling issue in the PowerPoint, and they have been corrected.