

ANNUAL MEETING MINUTES

HORSESHOE LAKE CORPORATION

Sunday, August 21st, 2022 at 10:00 AM

I Call to Order Scott C. Scott introduces the agenda. Start of meeting 10:08.

II Current Board of Trustees Roll – Brian Anthony, Joe Bennett, Sandra Bodi, George Brown, Scott Chisholm, Craig Delap, Makenzie Jakubowski, Ken Johnson, Carl Kayden, Mike Laird, Kevin Quinn, Brian Trim.

Absent. Brian Anthony. Craig Delap.

III Confirm Quorum – Count Membership in attendance (25 members needed for quorum) Kevin Q. 32 Member's in attendance. We have Quorum.

IV Minutes of Last Meeting / Request to Dispense with Public Reading of Minutes Scott C

(a) Approval of 2021 Annual Meeting Minutes

Motion to accept minutes from 2021, Mike Lewis motions, Michael Grosh seconds. Motion passes by acclamation.

V Member Announcements

1. Jackie(member) asks about sand being delivered to all beaches. Answer: Sand purchased and delivered as necessary.
2. Kevin(member), Daughter was married last week.
3. Jackie(member). Weed barrier in Schrum beach is moving. Answer: We'll get it moved back.

VI Nomination of Trustees / Close Nominations / Elections George B

Leocadia (2) Mike Grosh and Ken Johnson nominated. Motion to close nomination. Passed. Members who Motion and second were inaudible.

Lincoln (1) Joe Bennet nominated. Motion to Close nomination. Passed. Members who Motion and second were unidentifiable on recording.

Shady Beach (1) Trevor Hatch. Julie Kapnick Motion to Close nomination. Passed. Members who Motion and second were unidentifiable on recording.

Schrum (1) Brant Kettlewell, Scott McMillen nominates. Motion to Close nomination. Passed. Members who Motion and second were unidentifiable on recording.

VII Presidents Report: Overview of the Past Year Scott C

Vacant land Properties in Lincoln, see Xlla in these minutes.

Road Grading, Joe Bennet. A Contractor estimated a price of \$100,000.00, to maintain and grade all the roads in HLC. Current budget for the roads is \$20,000.00 per year. Current Road Dues per member are as follows: Shady Beach \$50 per year, Leocadia \$80 per year, Lincoln \$60 per year, Schrum \$100 per year. Weed Treatment, \$25 lake-front, \$19 back-lots per year.

George Brown explains the difference in dollar amounts of Road Dues between the different Subdivisions. It's a historical artifact from the way the Road Committees were initially set up and is based on the perceived need of each neighborhood Road Captain with the approval of their neighbors. That will be changing in the near future.

VIII Treasurer's Report

(a) Balance of Accounts 2021-22, Joe Bennett

Third page of treasurer's report. Budget as of July 2022. Income: Weed assessment \$9500, Road Dues \$18,655. Misc \$525.90. Gate Keys \$40.00.

Sept 30 is the end of fiscal year.

Total projected income for 2021-2022, \$45,000.00.

A transfer of \$9500 from weed assessment to business account, to pay for weed treatment.

Road Dues income in 2021 broken down by Subdivision.

Leocadia: \$3400

Lincoln: \$4690

Schrum: \$3420

Shady Beach: \$7140

Joe Bennet answers questions from members regarding budget.

Weed treatment account balance \$6584.07, as of July 2022. Board members explain why weed treatment cost per member may increase in 2022-2023. Basically, there has been a large excess balance in the Weeds account, collected over the years. The BoT, some years ago, decided to reduce that balance by subsidizing the cost of weed treatment over the last few years. That excess is now gone and dues are increasing the reflect the actual cost of treating the lake

A formula used to determine weed treatment dues, and annual dues amounts, does take into consideration, delinquency rates.

The annual premium used to purchase Property and Liability Insurance for HLC is increasing in 2022-2023. The BoT is looking for a new insurance company. All private access points, roads, and other commons areas are covered under the liability insurance.

A Member is asking who is responsible for tree damage by a tree on HLC commons. Tree damage claims, will be a case-by-case analysis. But damage to private property would be covered by liability insurance

Total income for 2021-2022, \$44,150 adjusted for fiscal year.

Total Expenses for 2021-2022: \$42,240.74 as of July 2022. (August and September expenses not included).

Roads Expense: \$26,000

Other Expenses \$21,595

Total of \$47,595.

A projected Deficit of \$3,445. for fiscal year 2021-2022. Expenses are unlikely to be as high as projected.

HLC has a Savings with an estimated balance of \$50,000 from past surpluses. This is used to make up any fiscal year deficit.

A Motion to accept the 2021-2022 existing budget report as amended. Kevin Lewis, Second Laura Carlo. Motion passes with 1 Nay vote.

(b) Collection of Delinquent Accounts Report George B

HLC is foreclosing upon properties with significant delinquent past dues. Member delinquencies above \$1000, is relatively low at 10 per the 400 households in HLC. That is a delinquency rate of 2.5%, owing more than \$1000. Members with a delinquency of \$1,000.00+ are the first targets of foreclosure.

A member has a question about late fees for delinquent dues. HLC Bylaws state 10% late fee. A change to the late fee, would have to approved by a full member vote. It cost HLC \$1000 to send out a full member vote/ballot.

(c) Presentation of 2022-23 Proposed Annual Budget Joe B

The next fiscal Year starts Oct 1, 2022

The recording at this point in the Meeting is inaudible. Joe was going over projected revenue and expenses for fiscal year 2022-2023. Totals were inaudible at this point. See Treasures report on www.hlcneighborhood.com.

Projected Operating Expenses.

\$6,000 for Landscaping (basically lawn cutting of common areas)

\$5,000 Tree Service. Tree service budget can only be used for tree removal and trimming.

\$5,000 Emergency Fund. A 2/3 vote of the BoT is needed to declare an emergency.

\$54,195.00 Total proposed expenses for 2022-23, including 3 capital expenditures.

Including the emergency fund of \$5000, \$59,195.00.

A Member has a question about Northfield Township Property Taxes that HLC pays. HLC is a non-profit

IX Approval of Expenses Expected to Exceed \$750 per Budget Scott C

(a) Legal and Professional Fees \$3,000 (foreclosures and property purchase expenses)

- (b) Landscaping/Lawn Care Service \$6,000. The Members have been happy with lawn maintenance, and the price.
- (c) Insurance \$3,800 (Property, Liability and D&O insurances)
- (d) Clerk's Compensation \$1,500 (in the Bylaws. George typically donates it back on HLC expenses)
- (e) Stamps / Office Supplies \$1,200
- (f) Emergency Fund \$5,000
- (g) Tree Maintenance \$5,000

X Approval of Special Project Expenses Expected to Exceed \$750 per Budget Scott C

- (a) Beautification Committee \$1,160, includes flower baskets, new access picnic table. New Shady Beach park, with new picnic table. Varnish for existing tables, and bulletin board at boat launch.
- (b) Access Areas/Beaches \$500
- (c) Vote of the membership \$1,000. The membership vote will encompass changes to the Bylaws, and Northfield Twp vacant land purchase

A motion to accept the proposed operating budget for 2022-2023.

Motion by Julie Kapnick, second by Chris Collins. Motion passed. no objections.

XI Committee Reports

- (a) Lake Committee: The lake has been treated twice this year. No reported problems with the quality of the water in HLC.
- (b) Road Committee: George Brown gives update on HLC roads. Unfortunately this was inaudible due to the location of the microphone.
- (c) Beautification Committee. Brian Trim gives the updates on the HLC parks, and commons.

Brian Trim reviews the jurisdiction of HLC. In 1971, HLC was incorporated. With incorporation, HLC has jurisdiction over all commons in the HLC, including roads and parks. Some members of HLC object to sharing their parks with the other 3 subdivisions. Some members do have property deeds which state a specific park as deeded to that address. The HLC does not observe those restrictions, and follows the philosophy that HLC has jurisdiction over all common areas and all members of HLC are fee to use all HLC common areas, including parks, because we all pay to maintain them. The stated discrepancy has not been tested in court.

XII Business Items to Discuss with Membership Scott C

- (a) Northfield Township sale of vacant land in HLC. The Township initially offered the land for \$170,000, then reduced the price to \$78,000. The vacant land includes 82 parcels, totaling 25 acres. The land was donated to the Township free of charge by the Department of Natural Resources.

Scott Chisolm reads the proposed ballot language to be sent in 2023, regarding the vacant land purchase from Northfield Twp.

To See the final ballot proposal, go to www.hlcneighborhood.com.

A Motion to accept the ballot proposal language was made, by a member who went un-named. Audio was inaudible, and member was not identified. A second was also not named.

Members vote, the motion passes.

(b) Membership Vote on Bylaw Updates, Etc.

Brian Trim reviews the procedure to mail out the member ballot/vote and the procedure to collect the votes and tabulate the results.

XIII Member Questions / Comments / Concerns Scott C

Most member questions are regarding the upcoming ballot/vote on vacant land and change in the HLC bi-laws. All are answered as best as the BoT can at the moment.

A member questions a lakefront home owner, building a large dock and gazebo on the lake.

XIV Trustee Election Results Scott C

Mike Grosh, elected. Ken Johnson, re-elected. Joe Bennet re-elected. Trevor Hatch, elected. Brant Kettlewell, elected. Two-year term.

XV Adjournment Scott

Motion to adjourn: Passed. Motion and second was inaudible. Length of annual meeting was 2:45 hours.

Secretary Brant Kettlewell

The secretary transcribed the meeting from an audio file, provided by the previous secretary. Some portions of the audio file were inaudible. Some portions of the audio file, multiple participants were talking, resulting in inaudible.