

Lake Shore Estates Annual Meeting Minutes June 19, 2021

- 1) **Call Meeting to Order-** The annual meeting of the Lake Shore Estates Homeowners Association was called to order by President Craig Becker at 10:00 a.m. on June 19th, 2021. A motion was made to accept the agenda with the addition of water valve maintenance by Kim Birkeland. Motion by K. Klindsworth, seconded by J. Marshall. Motion carried.
- 2) **President's Report** A welcome and a thank you for attending the meeting was given to all members of the LSE Homeowners Association. Thanks to all the board members and volunteers who do the little things that allow the Association to function. He also reviewed the fire bans presently in place in North Dakota. It is up to the residents to follow these guidelines and adhere to laws especially with the July 4 holiday approaching.
- 3) **Introduction of Board of Directors and Recording Secretary Board** members present were Craig Becker, President, Jeff Kuch, Secretary, Paul Blees, Vice President, Sheila Marshall, treasurer, webmaster and member-at-large, Brad Erath, member-at-large, Mark Kaffar, Attorney.
- 4) **Roll Call** Homeowners were asked to stand and introduce themselves. 32.5 voting/homeowners were present and 24 were represented by proxy.
- 5) **Proof of Notice of Meeting Notice** of meeting was mailed by the USPS on June 8, 2021 by Sheila Marshall. Mailed packets included the annual meeting agenda, time/date/location of the annual meeting, the association water grid, A list of LSE homeowners and lot location, The new proxy ballot, A welcome letter, and financial reports, notice of the annual meeting was also sent via e-mail and posted on the website.
- 6) **Secretary's Report** The minutes of the 2020 Annual Meeting were presented and a motion was made by to dispense of the reading of these minutes by C. Grosz, seconded by Greg Ficek to approve the minutes. Approved by voice vote.
 - a. **Potable and Irrigation Water Committee** There was nothing to report. Homeowners have noticed better service with the increase in water pressure in 2019 from 37 psi to 45 psi. Craig Becker commented on the relatively inexpensive water agreement that we have as a homeowner's association with SW Water and pointed out that the cost of individual hookups would drastically increase those charges. Clyde G. explained the infrastructure of our irrigation system and how it was fed electrically. From time to time, we may have to reset the system due to power failures or other occurrences. Craig Becker stated that new dock floats would have to be purchased soon to prevent the pump cavitation during low lake levels.
 - b. **Lake Shore Water Diversion Project** M. Kaffar and G. Ficek reported that all relative parties have signed the agreement with the exception of the Corp of Engineers. We are currently working on the 404 Permit with the Corp of Engineers which is a request to drain the pond into Lake Sakakwea. Covid-19 has contributed to slow movement on the project.
 - c. **Audit Committee** Members of the Audit Committee were G. Ficek, D. Poeckus, K. Birkeland, and S. Marshall. The committee reported that there were no discrepancies in the books.
 - d. **Ballot Committee-** Craig Becker asked for volunteers to serve on the ballot committee with L Scharbach and K. Klindsworth being appointed
8. **Treasurer's Report**
 - a. **Water usage and payment grid** S. Marshall gave a brief overview of the water payment grid
 - b. **Expenses 2019** See attached handout of the 2019 expenses that was provided to all members attending the meeting.
 - c. **Budget 2020-2021 and lot fees** Copies of the budget were available for the lot owners to review which included proposed 2020 budget and actual expenses to date.
- 7) **Treasurer's Report-**
 - a) The audit committee which consisted of Sheila Marshall, Greg Ficek, Nate Corbin, and Dale Poeckes (absent at meeting). The committee found the books to be in good standing.

- b) Sheila Marshall recapped the balances of the treasury, with paper copies of the budget and reasoning behind the budget along with previous years expenses being sent to all residents. She also outlined the money set aside for the diversion project and the board recommendation of the \$500 LSE fees along with the costs of our SW water. She proposed changes to the fiscal year dates starting on June 1 and ending on May 31 for LSE, dual signatures on all checks of \$1000 or more and checks written to treasurer must be signed by another board member. Inclusion of check writing in excess of \$5000 for emergency situations is already covered under our operating bylaws and covenants.
- c) Motion to approve fiscal year changes was made by G Ficek and second by D Poeckes. Motion to approve dual signatures on \$1000 checks by L Aanderud and second by J Scharbach and Motion to approve alternate board member to sign checks written to treasurer was made by M Beckman and second J Kostelecky. All three motions along with the budget and fees were approved unanimously by voice vote.
- d) A suggested fund set aside for potential use in water diversion if additional dollars were needed if this happened in the middle of a fiscal year was presented by S Marshall. This proposal as presented would have been for budget dollars only not expensed or committed dollars and would eliminate the need for a special meeting if this was needed during the middle of the year. This led to a series of objections by R. Eckert which led to many controversial remarks between residents. President Becker with no resolution in sight ended the discussion and the agenda was moved forward.

8) Old Business

- a) **Lake Shore Water Diversion Project-** G. Ficek reported that the Corp of Engineers has once again thrown a curveball in a two-paragraph letter to the water board denying approval of the project. He stated that it has been difficult and frustrating for both landowners and the various boards but they were moving forward in presenting various alternate plans and Mercer County Water Resource board has continued working and meeting with the Corp of Engineers and various agencies in finding solutions. In addition, there continues to be conversation regarding the wetlands tradeoff and this continues to be a challenge as well. In addition, it was outlined by our attorney Mark Kafer and various LSE board members that it is an agenda item at every meeting, we are doing everything in our power to support this project and ensure that we are protecting our interests in potential developments to the west. Residents questioned what they can do including letter writing and making political contacts, it was advised by both Greg and our attorney to let these agencies work this out. Greg and Mark concluded by saying this project is not dead and it is frustrating by all and perhaps at some point in the future we may ask residents for these types of actions.
- b) **Bylaws and Covenants Sub Committee-** Nate Corbin reported that very little had been done with the exception of a couple of e-mails sent out by Deanne Gierke. He stated that he had read thru it personally and offered some very minor suggestions. Jerry Scharbach expressed discontent with even going thru these procedures as he believed he had voted on changes already. President Becker accepted the report and the agenda was moved forward.

9) New Business

- a) **Capital Improvements-** President Becker reported that the board had moved away from the purchase of the shed. Various reasons including saving money and the decision to sell the tractor and trailer factored in. He continued that he has a pending sale of the tractor at a price of \$6000. The original price when bought was \$7200 dollars which was purchased fifteen years ago. The Future board will have to take action on this deal. The board had also reached out to a vendor to add or replace two other valves which would ensure better shutoff in case of leaks, if this project is completed it potentially would cut down the number of people who would lose service in certain circumstances to around twelve lots. Once again, the new board will need to take action on this item. In addition, there has been a number of Forrest Drive residents who have requested speed bumps on their road. There were some questions as to locations as one resident expressed some concerns, this will be a future item of coordination and implementation with the new board. President Becker also explained that our present road is in a B-C condition as appraised by a former Mercer County Road superintendent and paving company and that this repair will be a large expense for residents depending on the level of repair that is accepted thru proposals and bids. He stated that this is one of the reasons why the treasury is being built up as this has been in our long-range plan for several years. It was also stated that we missed a grand opportunity with significant savings this year to complete this project due to spending restraints in our bylaws and covenants. This project will have to be monitored closely by future boards to ensure that we don't lose our road completely.

12. Election of Board of Director Positions –

Election of one three- year position presently held by Sheila Marshall- R Moody nominated Nate Corbin with Joel Marshall seconding. Approved by voice vote.

Election of one three- year position presently held by Craig Becker- R Moody nominated Dalen Foth with Nate Corbin seconding. Approved by voice vote.

Election of vacated two-year position presently held by Jeff Kuch- N Corbin nominated R Eckert and seconded by R Moody. Approved by voice vote.

Election of appointed one year position previously held by Bill Misslin and Brad Ereth. Jeremy Berger nominated by Sheila Marshall and seconded by Paul Blees. Approved by voice vote.

13. Adjourn- Motion to adjourn by B Wallender, seconded by J Marshall. Motion carried.

Respectfully submitted,

Jeff Kuch, Secretary

Cc for existing approval

Craig Becker

Paul Blees

Sheila Marshall

Brad Ereth