

## **Lakeshore Estates Annual Meeting Minutes**

**Date:** June 1, 2024

**Time:** 10:48 AM CST

**Location:** Barry Wegner's Garage

### **Attendees:**

Paul Bles, Barry Wegner, Rick Eckert, Jeremy Berger, Nate Corbin, Mark Kaffer – Lawyer for Lakeshore

**Lot Owners Present (Including Proxies):** 70

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### **1. Call to Order:**

The meeting was called to order by Paul Bles at 10:48 AM CST.

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### **2. Reading of Last Year's Minutes:**

A motion was made by Nancy Emch to forgo the reading of the previous year's minutes. The motion was seconded by Deana Benz. A vote was held, and the motion passed unanimously.

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### **3. Proof of Meeting:**

Notice of the annual meeting was sent to all lot owners via mail, email, Facebook, and published on the Lakeshore Estates website. This ensured proper notice was given in accordance with association bylaws.

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### **4. Roll Call of Lot Owners:**

A roll call was taken, and it was confirmed that a total of 70 lot owners were either present in person or represented by proxies. This constituted a quorum for conducting business.

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### **5. Officer and Board Reports:**

- A discussion was held regarding the community's Facebook group, which has been useful for communicating updates and organizing community events.

- Discussed potential for the development of a walking path. Beulah Parks and Rec approved the path, and this is now going to the county for review. There was general agreement that it would be a positive addition to the area.
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## **6. Audit Committee Report:**

The audit committee met on May 27, 2024, to verify and review the financial records and Treasurer's reports. The committee confirmed that all financial reports were accurate and compliant with association bylaws.

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## **7. Treasurer's Report:**

Lori Blees presented a detailed report on the association's financial status. She provided an overview of the association's income and expenses, noting that expenditures were within the approved budget for the year.

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## **8. Old Business:**

- **Water Diversion Project:**

Mark Kaffer provided an update on the water diversion project, which has been in progress since 2008. The pumps necessary for the system have been installed, but the culverts still need to be completed in partnership with the county.

The Lazy H Subdivision expressed interest in utilizing the water system owned by Myron Hafner and others. They are seeking to develop and use the system for their needs. Mark explained that negotiations are ongoing with Jerome Boeshans, who is working to revise his agreement to share the costs of using the system. The agreement will include a cost-sharing structure for the electricity, pump operation, and other resources required to maintain the system.

Lakeshore Estates will be responsible for a portion of the upkeep and maintenance, estimated at approximately \$3,600 annually. However, these costs will vary depending on weather conditions, as the pump usage will be weather-dependent rather than dictated solely by Boeshans, Lakeshore, or Lazy H. The agreement is expected to span 15 to 20 years, with a 1/3 cost-sharing arrangement.

In light of these developments, the community will need to appoint an enforcement officer to oversee compliance with the agreement and address any issues that arise.

- **Well Capping:**  
There is currently no government mandate requiring the capping of wells in the area. Given this, the decision to cap the wells has been tabled for now, and no further action will be taken until necessary.
  - **Road Maintenance:**  
Paul led a discussion on road maintenance options for the community. Three potential options were presented, including a high-end skin patch estimate of \$85,000. The necessity of regular maintenance, such as crack filling, was emphasized to extend the life of the roads. It was agreed that continued maintenance will be required moving forward to avoid more costly repairs in the future.
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## 9. New Business

### **Bylaw and Covenant Changes:**

- **Article VI: Assessments and Expenditures**  
The proposed change to Article VI was presented to raise the spending limit for the board from \$5000.00 to \$12,500 this is based on inflation. A motion to strike \$12,500.00 and increase it to \$20,000 was presented. Jerry Scharbach made the motion to approve this change, which was seconded by Dina Benz. The motion was put to a vote and passed unanimously by voice vote.

This change allows the board greater flexibility in managing larger expenditures without requiring a full vote from the community.

- **Article V – Operation of Property**  
The proposed change relates to the determination of common expenses and common charges as outlined in Article V. The intent was to ensure protection of the community's financial interests and transparency in budgeting by providing proper notice to the annual meeting.

The changes were voted on as proposed and passed unanimously by voice vote.

- **Article X – Leasing and Short-Term Rental Prohibited**  
A motion was made by Paul Sayler and seconded by Barry Wegner to add the provision in Article X stating that "Lots shall be used for residential purposes only" and prohibiting commercial use of properties. This change prohibits the use of properties for short-term rentals, such as VRBO. The motion as proposed was put to a voice vote and passed unanimously.

A second motion was made to adjust fines related to violations of short-term rental restrictions. The initial proposal was to set fines at \$2,000 per day for violations, but after discussion, it was decided that the fines would be set as a percentage of income from the short-term lease. Nancy Emch made a motion to change the wording to reflect these

adjustments from a set amount to a percentage of income from the short-term lease, which was seconded by Leeta Aanderud. The motion passed unanimously by voice vote.

The new covenant language regarding short-term rentals was approved, defining short-term rentals as any lease or rental of 120 days or less. Lot owners in violation will be required to cease short-term rental activities upon receiving written notice from the HOA. If the lot owner refuses, the HOA may assess penalties equal to 125% of the income received for the first offense, and 150% for any subsequent violations.

The board will mail cease and desist letters to violators and provide a reasonable opportunity for compliance.

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## **10. Board Elections:**

- **Board Member Elections:**

Barry Wegner was nominated by Jerry Scharbach and seconded by Jeremy Berger. Barry was elected to the board by unanimous voice vote. Nate Corbin was nominated by Dina Benz and seconded by Rick Eckert. The motion passed unanimously by voice vote.

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## **11. Other Discussion:**

- **Investment in CDs:**

A motion was made by Greg Ficek to invest association funds in Certificates of Deposit (CDs), allowing the board discretion in managing the investments. Gary Poeckes seconded the motion. The motion was approved unanimously by voice vote.

- **Budget Approval:**

The proposed budget for the upcoming year was presented and discussed. A motion to approve the budget as is was made by Greg Ficek and seconded by Larry Klindworth. The budget was approved unanimously by vote.

- **Complaint – Campers on non-Lakeshore Lots and Zoning:**

There was discussion regarding four campers currently parked on a lot outside of the Lakeshore development which is in violation of Mercer County zoning rules. Complaints will need to be forwarded to Mercer County.

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## **12. Adjournment:**

A motion to adjourn the meeting was made by Barry Wegner and seconded by Sharon Sailer. The motion passed, and the meeting was adjourned at 1:02 PM CST.