

MINUTES OF THE ANNUAL MEETING
MAYNARD LAKE HOMEOWNERS ASSOCIATION
OCTOBER 29, 2008
LINCOLNSHIRE COUNTRY CLUB

President Rick Schroeder called the meeting to order at 7:05 p.m.

Each person received a package consisting of a meeting agenda, Minutes from the October 30, 2007 Annual Meeting, a list of expenses and checks written, a status of the MLHA portfolio from Cozad Asset Management, Inc. as of September 30, 2008, a proposed budget for 2008-2009, and a list of homeowners as of September 30, 2008.

President Rick Schroeder welcomed everyone to the Annual Meeting and expressed his appreciation to Board member John Scott for staying on the board one more year to assist with the three new members and his duties as former treasurer. Rick mentioned that due to the resignation by Laurie Hughes this past year as the secretary of the MLHA board, Curt Miller was filling in with the secretarial duties.

Secretary Curt Miller read last year's Minutes. Rick asked that a quorum be determined prior to approval of the minutes. It was determined that there were 26 lot owners present and a minimum of 24 lot owners were required so there was a quorum. A motion was made to approve the Minutes by Dave Fernandes and seconded by Barb Schroeder. Motion was approved by voice vote by those in attendance.

Treasurer Maureen Tlumacki-Cohen gave the treasurer's report. Maureen read the list of expenses for the current year. Expenses from October 1, 2007 through September 30, 2008 totaled \$28,960.04. The report from Cozad Asset Management, Inc. was presented showing a total MLHA portfolio composition balance in the amount of \$273,694.14, an increase of \$13,569.25 from last year's balance of \$260,124.89 on September 30, 2007. Maureen explained that if it were not for several of the "one time" expenses that were incurred this past fiscal year the MLHA net ordinary income/loss would have been very close to a "break even". Maureen presented the budget for 2008/2009, briefly explained the \$750.00 line item for a pilot program "Bacti-Klear" for our lake by Marine BioChem, explained the lake improvement and maintenance fund line item, explained that last year's taxes had been filed late into the 2008 fiscal year so there was an increase in the "Professional Fees" line item, and mentioned that the annual dues statements were available and could be picked up at the meeting to help avoid mailing. Maureen said that under Expense heading the "Repairs" line item included work to repair the peninsula 911 emergency phone that was struck by lightning and the "Utilities" line item included electricity for the lake pump, the light on the peninsula, and the phone charge for the 911 emergency phone. Maureen answered questions asked by some homeowners. A motion was made to accept the treasurer's report by Dave Fernandez and seconded by Bill Ackermann. Motion was approved by voice vote by those in attendance.

Rick asked if there was anyone present from the Architectural Committee to give a report. There was no one present.

Dave Wickersheimer presented a report from the Lake Committee and he thanked the Lake Committee members for their support and work. Dave expressed his appreciation to those homeowners that helped during the “work day” and helped to clean up the algae on the lake. Other items discussed included the ongoing geese situation and how to get rid of them – consideration is being given to purchasing a pair of swans that are supposed to stave off the geese, spot dredging, the erosion around the island, sea walls to help with the erosion, the chemicals that have been used to treat the lake, the experiment pilot project with bacteria for next year, and the need for a couple additional Lake Committee members to replace a couple that are leaving this year – if interested in joining please contact Dave or any of the Board members. Rick mentioned that the Board signed a two-year contract with Marine BioChem to treat the lake at no cost increase. Cathy Daily explained the experimental pilot project in more detail expressing hope the beneficial bacteria are intended to eat any organic waste collecting and decaying on the bottom of the lake. This would include leaves, dead algae and naiad, grass clippings, etc. In response to a question posed, Cathy said that a specific area of the lake where the experiment will be conducted has not been determined yet. The Lake Committee and Board will make that determination with Marine BioChem. A survey map that the Lake Committee and Board received as a part of the feasibility study that was performed this past year by Brainard Backhoe and Dredging Company was passed out to all present that showed the lake depth, sediment levels and linear feet along the shoreline, peninsula and island. As several questions were asked regarding the work that has been completed by the Lake Committee and Board, the homeowners were reminded that a report was included in the last MLHA newsletter that was sent out to everyone in the middle of September. Rick asked if Ed Conrad would please re-send the newsletter via e-mail to everyone again. Rick acknowledged Ed’s great work and efforts with establishing e-mail lists and communicating news to the homeowners and expressed his great appreciation on behalf of the Board and all homeowners. There were good extensive questions and discussions about the sea wall including erosion issues, sea wall costs, water level control, and original lake depth.

John Scott entertained a motioned that \$20,000.00 be set aside for research for the Lake Committee. A clarification was noted by Maureen that in 2006, \$20,000.00 was originally set-aside in the investment account that was never transferred and used for research on the lake. There has been \$3,000.00 used since 2006. John Scott amended his original motion to reauthorize the use of the remaining funds in the amount of \$17,000.00 that were previously granted two years ago to be used for additional research on the lake by the Lake Committee. Carol Le Seure seconded the motion. Motion was approved by voice vote by those in attendance.

John Scott mentioned 30 additional young grass carp were added to the lake this past summer to help control and maintain the growth. He said a full-grown grass carp would eat its body weight every day. John emphasized the need to maintain a careful balance with the proper number and frequency of grass carp being introduced into the lake.

A question was asked about the balance of funds in the MLHA investment account that could be used for possible sea wall installation and spot dredging. As of September 30, 2008, this balance was \$273,694.14. Maureen noted that this amount might very well be less due to the recent financial market situation.

New Business

Rick explained that the Maynard Lake Homeowners Association Board reviewed the present assessment this past summer and discussed an assessment increase for 2008/2009. During the review process the Board noted that the Bylaws called for a maximum assessment of \$170.00 per lot, the present assessment. The Covenants, however, state that an approval by 80% of the homeowners is required prior to any increase in the assessment amount over the amount in the original Covenants. Several years ago, there was a concerted effort to formally increase the amount of dues allowed; however, the records from that effort do not seem to be readily available.

Therefore, the present Board felt that it would be beneficial and prudent to pass a Resolution that would (a) confirm and improve upon the previous authorization and also (b) serve as an amendment which is confirmed by a separate and proper procedure. They determined to carefully assure that the formal requirements will be followed.

The Resolution, approved by those in attendance at the Annual Meeting and proposed to the membership, would allow (a) the Board to recommend an increase in the assessment amount by a percentage, instead of a fixed amount, to facilitate adapting to changing costs and inflation and (b) a special assessment of up to \$100 in any particular year. In each case, the increase would have to be approved by 80% of a quorum at the Annual Meeting. In addition, the notice period of any proposed amendment was to be changed to the notice required by the Bylaws for other matters. A Resolution providing this authorization would have to be approved by at least 80% of the homeowners and would be filed in the Records Office and become part of the MLHA Covenants.

In summary, it was determined by the Board that there needed to be improved clarity with issues regarding Voting, Notice and Assessments of Maynard Lake Homeowners' Association matters. Rick asked MLHA attorney Carl Webber to present the proposed Resolution containing three separate sections addressing these issues before the homeowners. There was discussion that followed and each section of the Resolution was voted on separately.

A motion was made by Doug Nelson and seconded by Harry Swift to approve Resolution as to Item 1 as presented by attorney Carl Webber. Motion was approved by 26 ayes and 0 nays by those in attendance. See attached Resolution.

A motion was made by Bob Pearson and seconded by Betty Swift to approve Resolution as to Item 2 as presented by attorney Carl Webber. Motion was approved by 26 ayes and 0 nays by those in attendance. See attached Resolution.

A motion was made by Dave Fernandez and seconded by Marv Carbonneau to approve Resolution as to Item 3 as presented by attorney Carl Webber. Motion was approved by 26 ayes and 0 nays by those in attendance. See attached Resolution.

A copy of the Resolution is incorporated as a part of these Minutes, as Exhibit A.

Rick stated there were two openings on the Board that needed to be filled. Liz Hawkiins had volunteered to finish the vacated two-year term and the Board had accepted her at the recent Board meeting. Additionally, there was a one-year term held by Curt Miller who served as Vice President this past year. He has agreed to stay on for a three-year term in addition to Bob Pearson who has also agreed to a three-year term on the Board. A motion was made by Janet Pope and seconded by Whit Daily to select Curt Miller and Bob Pearson to a three-year term on the MLHA Board. Motion was approved by voice vote by those in attendance.

In response to a homeowner request, Rick said a copy of next year's Annual Meeting Agenda will be mailed out prior to the Annual Meeting to all homeowners.

Rick asked Ed Conrad if he could please send out an e-mail to the homeowner's asking if there were any notaries available within our membership and if they would be willing to volunteer on behalf of the MLHA to notarize documents when necessary.

A concern was raised by Bill and Marti Geibel as to how homeowners' property can be protected from unsafe landscaping. Attorney Carl Webber suggested the County Nuisance Law might be applicable in certain instances. Other comments voiced by homeowners included the planting of landscape that is included in the guidelines however no restrictions are in place for the removal of landscape plantings. The concern by this homeowner was in regards to property values being lowered due to the removal of mature trees. Additionally, a concern was raised that there are no guidelines in place regarding homeowners' shoreline stabilization. And finally, a comment was made about lack of the guidelines regarding water plantings along homeowners' shoreline. Rick said he will present these concerns and suggestions to the Architectural Committee and ask that they please review the current criteria and consider amending the standards.

Motion was made and seconded to adjourn the meeting at 9:09 p.m.

Respectfully submitted,

Curt Miller
Secretary