

Ninovan Ski Club
Annual Meeting
February 3, 2017

Members Present: Keith & Linda Erchinger, Marty Gannon, Jackie Mass(2), Mike Mass(On Phone) Brad & Ann Lanka, Matt Dumstorf, Mike & Brenda Straube, Diane Gifford, Cheryl Delrose, Bill Lopina, Ken & Kerri Courtright Proxy to Courtright for Lundeen – 12 Memberships represented of 15 active.

Not present: Jim Herman, Allan & Teryl Lundeen, Steve Lisula, Cyndi Campbell

HOA Board members present: None present, Previous e-mail from Ben Schwinn

Guest: Thor (Guest of Matt)

Second memberships: Campbell(Inactive), Delrose(Inactive), Erchinger(Inactive), Mass(Active)

Three unsold memberships reserved for unsold lots 45, 47 and 53 subject to the condition that the purchaser of the lot has an option to purchase at the time of the first lot purchase. If not purchased the membership is forfeited.

Lake Level & Pumping: 2 wells installed, each about 80-85 gallons per minute. Both pumps have been running since early November. Cost is about \$380 per month to operate both pumps. The cost of the two wells, electric service, etc. was split 50/50 with the HOA.

The old well in the Mass' lot needs repaired if we decide to use it. It has been down since October. Approximate cost is \$4,000. It was last replaced in 2013.

The lake level was as high as 7 inches below the overflow. Currently about 9 inches below the overflow with the dry, cold windy weather we have had in the last couple of weeks.

Lake Level Management-Well Operation. HOA board members were invited to the meeting for the purpose of discussing lake level well on/off lake levels due to the sharing of cost. Ben Schwinn provided suggestions prior to the meeting of 4 and 10 with variations for winter vs summer. Brief e-mail indicated he would be fine with 3 and 9 also. (Ben was unable to attend tonight)

Motion to establish the pumping schedule by Bill, Second by Matt. Both wells off above 6", 1 on at 8", both on below 10" - All in favor

Insurance Report: The insurance we have had for the last several years is expected to remain at about \$1,025. Directors and Officers policy is about \$1,600. Marty to send out a copy of the policy for others to review.

Updates waivers need to be obtained from all lake users

Keith suggested for insurance purposes that signs be placed on the east end of the lake stating private property. Motion by Jackie, Second by Cheryl to put money in the budget for the signs. Specific wording to be determined. – All in favor

Weed, Algae, and Cattail management, Ken's Pond Proposal for 2017 is the same as it was for 2016. Some other vendors have been investigated but Ken's experience with our lake it thought to give him some advantage. Motion by Marty, Second by Brad to continue with Ken's Pond for 2017. All in favor.

Cattails have been largely eliminated with the efforts of Mike Mass, Matt and others. Minimal effort is expected for 2017. We will continue to manage via volunteer efforts.

Treasures Report: The end of year balance for the ski club is \$3,649.79. Much of this year's expenses were related to the new well installation which came in below the budget that we established in June'16. Prepaid dues were used to establish the funding for the wells. Courtright (\$6370 remains as of start of 2017) and Mass (\$4,000 remains as of the start of 2017). As a result dues income for the next couple of years will be down to use up the prepaid dues.

The 2017 budget was established at \$13,265 as attached. Motion by Marty to accept the budget, Second by Matt - All in favor. Capital expenditures are expected in 2017 to complete the restoration of well installation, Clean up the remaining clay stock piles, and improvements to the boat ramp to fix the hole at the bottom. (Steel plate being investigated) \$1,500 Estimated

Motion by Matt to set dues at \$950 for 2017, Second by Bill. Motion carried 8 to 5

2017 Officer: The table was opened for officer resignations, nominations or changes. No changes were suggested. Officers will remain: President: Keith Erchinger, VP: Brad Lanka, Secretary: Mike Mass, Treasure: Marty Gannon.

New Business

In 2014 the Skiclub contracted with Ken's Pond to address areas of the lake that had become overgrown with Cattails. The common areas were absorbed by the SkiClub and an attempt was made to have Home Owners cover the cost associated with boat slips. Seth Freeman was the only homeowner to pay his portion. Motion by Mike to return Seth's payment (approximate \$275), Second by Ken – All in favor Marty to verify the amount and issue a check to Seth Freeman,

A suggestion was received from Seth Freeman that the electric service should be in the Ski Club name (currently in the HOA name) Motion by Mike M. Second by Ken, to accept the transfer if initiated by the HOA. – All in favor. It was also noted that the easement is also in the HOA's name. The motion was extended to accept the easement transfer also.

Some discussion on the buying/selling of memberships, first tier memberships and the potential to include a build out requirement for new members buying vacant lots. All are encouraged to review the rules as posted on the website.

Motion to close the meeting at 9:00PM

| | A | B | E | F | G | H | I | J | K | L | M | N | O | P |
|----|---|-----------------|----------------|-----------------|----------------|--------------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|----------------|---|
| 1 | Budget Worksheet & Expense Report | | | | | | | | | | | | | |
| 2 | 2017 Budget - Annual meeting 2017-02-03 | | | | | | | | | | | | | |
| 3 | Year | 2013 | | 2014 | | 2015 | | 2016 | | 2017 | | 2018 | | |
| 4 | | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Projected | Budget | Projected | |
| 5 | Operating Expenses | | | | | | | | | | | | | |
| 6 | Well Operations | \$4,400 | \$3,932 | \$4,400 | \$2,117 | \$3,500 | \$3,029 | \$3,000 | \$2,200 | \$3,000 | \$2,400 | \$3,000 | \$2,200 | |
| 7 | Insurance | \$3,200 | \$3,083 | \$3,200 | \$2,083 | \$3,200 | \$2,660 | \$3,000 | \$2,660 | \$2,700 | \$2,660 | \$2,700 | \$2,660 | |
| 8 | Weed & Algea Control 25% Skiclub portion | \$2,500 | \$640 | \$3,500 | \$2,450 | \$2,500 | \$1,361 | \$2,500 | \$1,552 | \$2,500 | \$2,000 | \$2,500 | \$1,800 | |
| 9 | Cat Tails (100% Skiclub) | | | | | \$2,000 | \$0 | \$2,000 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| 10 | Equipment Replacement | \$350 | \$173 | \$350 | \$351 | \$500 | \$685 | \$200 | \$200 | \$700 | \$500 | \$200 | \$200 | |
| 11 | Office Expenses (PO Box) | \$0 | \$0 | \$50 | \$48 | \$0 | \$100 | \$0 | \$0 | \$13 | \$0 | \$0 | \$0 | |
| 12 | USA Waterski Dues | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | |
| 13 | Taxes & Fees | \$2 | \$2 | \$2 | \$2 | \$2 | \$2 | \$2 | \$2 | \$2 | \$2 | \$2 | \$2 | |
| 14 | Pizza | \$100 | \$80 | \$100 | \$150 | \$150 | \$150 | \$150 | | \$50 | \$150 | \$150 | \$150 | |
| 15 | Contingency | | | | | | | | | | | | | |
| 16 | Legal Fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | | \$0 | | \$0 | | |
| 17 | Well Repair | \$750 | \$1,869 | \$750 | \$0 | \$1,000 | \$0 | \$1,000 | | \$2,000 | | \$2,000 | | |
| 18 | Muskrats | | | | | | | | | \$400 | | | | |
| 19 | May Pump, Equipment and Gas | | | | | \$5,467 | \$5,467 | \$1,500 | \$2,010 | | | | | |
| 20 | Fall Pump expense 50% | | | | | \$965 | \$965 | \$1,500 | \$910 | | | | | |
| 21 | Total Operating | \$11,402 | \$9,879 | \$12,452 | \$7,300 | \$19,384 | \$14,519 | \$14,952 | \$9,634 | \$11,465 | \$7,812 | \$10,652 | \$7,112 | |
| 22 | Capital Expenses | | | | | | | | | | | | | |
| 23 | Stone | | | | | | | | | \$600 | \$600 | | | |
| 24 | Signs | | | \$100 | \$0 | \$0 | \$100 | \$700 | \$700 | \$200 | \$200 | | | |
| 25 | Rip-Rap | \$500 | | \$500 | | \$0 | | | | | | | | |
| 26 | Shoreline | | | | | \$7,941 | \$7,941 | | | \$400 | \$400 | | | |
| 27 | Boat Ramp | | | | | | | | | \$600 | \$600 | | | |
| 28 | New well | | | | | | | | \$10,300 | | | | | |
| 29 | | | | | | | | | | | | | | |
| 30 | Total Expenses | \$11,902 | \$9,879 | \$13,052 | \$7,300 | \$27,325 | \$22,560 | \$15,652 | \$20,634 | \$13,265 | \$9,612 | \$10,652 | \$7,112 | |
| 46 | Balance at end of period | | \$6,009 | | \$10,916 | | \$847 | | \$3,650 | | \$1,785 | | | |
| 47 | | | | | | Mid year revisions | | | | | | | | |