

Meeting Agenda

September 4th 2010
10:00 AM Indiana/Michigan time

- I. Call to order
- II. Approve the minutes from Fall meeting September 5th 2009
- III. Treasurer's report
- IV. Standing Committee reports
 - a. Finance
 - b. Ways and Means
 - c. Building and Grounds
 - d. Social
- V. Unfinished Business
 - a. Rip Rock project, what are the future plans for this project?
 - b. Replace the stairs on the north side of the property going down the hill. Ann Gill stated this was a safety issue. This issue was tabled at the spring meeting. Andy was to get several quotes for wood and partial composite/wood stairs. The quotes should include both materials and labor. Since Greg Wail has retired maybe the corporation could ask him to help out? Andy only had one quote for man-made stone at \$5600 at the spring meeting.
 - c. Larry Lubs made an amended motion at the spring meeting (which was seconded) to set-up an emergency fund and to bring it to a vote at the fall meeting in 2010. This motion could not be voted on in the spring since it was not on the agenda and members not present should be able to cast a proxy vote. Larry's first motion was to set up a \$5000 emergency fund. No dollar amount was in the amended motion.
- VI. New Business
 - a. The election of officers for Vice-President, Treasurer and Secretary. Greg Wail is willing to run and serve as V/P. Both Dick Bruno (Treasurer) and June Stroud (Secretary) will serve again.
 - b. Establish a priority list on purchases over \$1000 for the corporation.
 - c. Rules and Regulation issue concerning pets. Dogs are running loose with and without leashes. There is a township leash law also.
 - d. We should review the respect for other people's space. Walking directly in front of people's houses, not taking up the roadway space so people feel weird walking down the road, and not having your guest play in front of the neighbor's property.
- VII. Miscellaneous items for Discussion
 - a. Need a work detail to remove the piers and when.
 - b. Secretary needs a copy of your cottage's fire and liability insurance annually.
- VIII. Call to adjourn meeting

MILLIANIGAN FALL MEETING

September 4th 2010

At 10:00 AM our President Bill Sabodar called the meeting to order. The minutes were read from the spring May 29th 2010 meeting. A motion to accept them was made and seconded. The minutes were approved. Dick Bruno reviewed the Treasurer report given to the members. The current saving account balance is \$14767.20 and the checking account balance is \$717.61 Dick explained that he paid the corporations liability insurance by mistake out of his personnel bank account on line. The August 28th checking account entry was to reimburse Dick. Bill Sabodar asked if there were any question on the treasurer report. A motion to accept the treasurer report was made and seconded. The treasurer report was approved. There was not a report for Ways and Means. Bill Francis made a point of order that Millianigan was organized as a profit corporation with the state of Michigan. He stated that Millianigan operates as a nonprofit corporation. We need to review how much monies are carried over from year to year. He also made a statement that any member that has a trust on the stock certificates should have a copy of the trust first page and the trust signature page on file with the stock certificate. This should address what to do with the member's asset if something happen to the member (the legal rights). He suggested that June Stroud the Millianigan Secretary address this issue. June stated she would get with all members that hold a trust on the stock certificates. There was not a Building and Grounds report since Andy Walters was not in attendance. There was not a finance committee report. There was not a Social Committee report. Lee Francis reminds the members about the Labor Day picnic today. Lee stated that she did not get the numbers until yesterday that would attend. The committee ordered 125 pcs. of chicken and 8 lbs. of pulled pork. The dinner will be between 5- 5:30 pm (half-time). Each family needs to have a dish to pass, this includes guests. Lee stated that members and minor children are free. Parents, adult children and grandchildren over 4 years cost will be \$2.00 each. Guests over 10 years cost will be \$5.00 each. Members that need to pay yet for parents, adult children, grandchild or guests should give the monies to Ann Gill or Dot Ghyselinc. Lee asked for help to set up tables.

Unfinished business: Rip Rock project was not addressed. Bill Sabodor stated that another load of rock was still due from last year approval. Tim Noveroske suggested that Building and Grounds look into possibly getting a load of bricks from some of the buildings being removed from the old Saint Joseph Hospital site. Building and Grounds could possibly pay someone from the site a nominal fee to have them delivered. The Rip Rock needs to be continued in the front of the island where the stone stopped. Dick stated that Millianigan received a load of sand for the beach and one load of rock for \$272. Dick stated that he did not believe that we could get the rock more reasonable that this cost. Dave Denler had the quotes from Andy Walters for the replacement stairs on the north side of the property. Dave read two quotes from his contractor, Larry. Larry quoted one option for wood with composite decking, 4' x 8' platforms, 48" wide with no railing at \$3900. Larry's second quote was using landscape timbers that would follow the existing stair contour for \$2900. The third quote was from Jeff Freed. He would use wolminzed wood and composite decking with 3 landings, 42" wide for \$2096. None of the quotes cover clean-up or removal of the existing steps. Bill Francis priced out wolminzed wood from Menards to build the stairs ourselves. He stated that he took a contour of the land 800 ft at the top of the hill and 810 ft at the bottom of the hill. This would give a 10 ft drop. Then if you measure the drop of each step (7-1/2-8") you can go out at an angle and get you down to the bottom of the hill with approximately 14-16 ft of stringers. The quote from Menards was as follows:

2 x 12 stringers 3-pcs for \$75-\$80

1 x 8 or 1 x 10 running boards/ decking \$150

5 lb box of screw \$30

Either 4 x 4 wood rails or iron railing and concrete will need added.

The grand total approximately \$275 to \$300 plus taxes.

If composite is used this would double the wood price but the estimate would be approximately \$400.

When contractors come in with prices like they did they are gouging. He stated that 1/3 should be for the contract, labor and material. This should take them less than a day and the total cost should be less than \$1000. Dot Ghyselinc asked Greg Wails if he would be willing to do the stairs. Bill Sabodar asked Greg to get Millianigan a price. Greg stated the Millianigan would not have to pay him. The corporation can do this on the weekend as a project together. Greg stated that this should be done in the spring 2011. There is some composite decking left from Denler old decks if we want to use it. Bill Francis stated that the lumber in the stair out from his cottage is 28 yrs old. These stairs are still good. A motion was made for the corporation to

build the stairs on at the north end themselves in the spring of 2011 with the expertise of Greg Wail. The motion was seconded and approved. The debris will be left for a base. There was a discussion on how high and what the rail should be made of. The railing will be addressed later. The amended motion from the spring meeting to set-up an emergency fund for the corporation was addressed. Larry Lubs stated that the corporation needs a bank of money for none planned, unforeseen items or events. This fund would be beyond the taxes and utility bills. This fund would be used to stop assessments? If an emergency fund is held in the corporation it could only be for emergencies. The executive board would have control over the fund usage. At the end of this year there will be approximately \$8000 in savings Dick Bruno stated. Dot Ghyselink stated that she would rather see dues go down. She stated that we have gotten along without an emergency fund all these years. Dave Denler stated that part of each year's surplus funds could go to fund the emergency fund until the set amount of the dollars (IE: \$8000) was met. Arlene Bruno stated that she has been in the corporation from the beginning. The only item that was assessed was the sea wall project. This could have been done through saving for the seawall instead of assessment. Even when the tornado came through and many trees needed cleaned up and or removed. There was not an assessment for this emergency. Dick Bruno had questions. If we set an amount say \$5000 and this amount is met, do we still collect \$100 per month dues? Or do we only collect dues to cover all expenses? Do we then reduce the dues? If we do not have the amount for the emergency fund, do we vote an assessed to cover this funding? Or do we collect monies until this funds amount is met? Over the last two years we have been able to increase the bottom line of the corporation by \$4000 a year. Dick believes that the surplus monies in a sense are the corporation's emergency fund. Dave Denler stated that this is not true. An emergency fund is set aside with stipulations on how it can be spent. An emergency fund will act differently than a general fund. How this emergency fund will be spent will also need to be addressed. Dick stated that currently it takes a two-third vote for expenditures over \$500. Dave stated that if dues were reduced to the general operating fund, then anything would be an assessment. Bill Francis stated that there will become a time when the corporation can no longer show a profit. If we continue to show a profit the corporation will be hit with 33% taxes right off the top. If you go to 90% of the expenditures the 10% will then become a profit to the corporation. In our corporation we are allowed under the home owner association under the 1120. 90% of what you take in must be spent to maintain the corporation. If we have an excess of \$7000 the corporation must pay taxes on this excess. If there was an emergency fund set up, the corporation would have to pay taxes on the interest for this fund. If we continue to build an excess we would possibly incur taxes due. This is the first time the corporation has this amount of excess funds over the expenses. Greg Wilson stated that why not reduce dues then. There were only two assessments that he remembers, one to purchase the extra land parcel and one for the seawall. Tim Noveroske stated that we look into the tax issue first to see if we would be paying taxes on the extra money collected? Mark McCullough stated this could be checked on the internet by searching 1120-8. It will tell what classification the homeowner association is and at what point taxes are due. The funds have built over the last several years. Mark Stroud stated this idea is like setting up a business so that monies can be available for anything. This is a good way for monies to be sucked off (embezzled). The corporation at this rate will need to hire an accountant. We don't need this; you keep your monies in your bank account. If each person cannot come up with \$200 then you don't need this property. We want to live easy up here. Larry Lubs stated that we wait until something bad happens then? Mark McCullough stated that it is what it is. More discussion occurred. Bill Sabodor stated that this issue/ motion will be dropped, nothing further. Bill Francis stated that taxes paid by the corporation cannot be deducted by the members with the IRS, if the tax money is intermingled with our dues. To be able to deduct taxes with IRS you must pay them directly.

New Business: The election of officers for Vice-President, Treasurer and Secretary. Greg Wail is willing to serve as Vice-President. Bill asked if there anymore nominees. There were none. Bill asked if all were in favor for Greg Wail to become the Vice-President. All were in favor for Greg Wail. Greg Wail is the new Vice-President. The election for Treasurer was next. Dick Bruno is will to continue. Bill asked if there were anymore nominees. There were none. Bill asked if all were in favor for Dick Bruno to become the Treasurer. All were in favor for Dick Bruno. Dick Bruno will be the Treasurer. The election for Secretary was next. June Stroud is will to continue. Bill asked if there were anymore nominees. There were none. Bill asked if all were in favor for June Stroud to become Secretary. All were in favor for June Stroud. June Stroud will be the secretary. June stated that she would contact our President Dave Ewing concerning the committee lists. It should be reviewed as to who is and wants to be on what committee. There was a discussion on establishing a priority list on purchases over \$1000. This issue was dropped. The Rules and

Regulation issue concerning pets was addresses again. The secretary read the portion concerning dogs. There is a township leash law. The greatest issue was barking dogs tied outside. Let's all be considerate of others. The next issue on the agenda is other people's space. Reminder not to walk directly in front of member's cottages and decks This was clarified as next to or very close. This was brought up to give some privacy to the members. Some children run back and forth between cottages close to the cottages and decks. The members use to tell the children to walk the back per Arlene Bruno. Paul Gill stated that technical speaking we all own the property. It should be a courtesy.

Miscellaneous business: Dot Ghyselinc asked for help to remove her scrap paddle boat from the beach to her garage area. Bill Francis made a statement that 16 township ordinances are incorporated in our Rule and Regulations. If anyone is dissatisfied, you can call the police if there is a township ordinance on the issue. Bill stated that guests seem to be a problem. Drinking issues concerning young guests is a concern to the corporation. He stated that he observed a practice called funneling. This is where they tip their head back and down a whole bottle. Then they put a something on the ground and they go around in a circle and they fall down. He would stay around to make sure that no one left the corporation. If they left the property drunk and they were in a fatal accident, it would come back to the corporation. Both Bill Francis and Dick Bruno are concern about the liability factor to the corporation. Bill stated that much of this young adult drinking occurs during the week when no one is around. Nobody see this. They are dead drunk, falling down. Bill Sabodor addressed the work detail; the piers will be done at a later notice. The pier will need to be taken out and secured with a cables and locks on the beach. Mark McCullough asked if the Treasurer could get a program, Quicken or something like it. This would enable a year to date total to categorize all expenses. Dick stated if Mark could set it up, he would be glad to work on it. Dick stated that the end of the year report from 2009 categorized expenses now, IE: electric for the year. June Stroud will contact any member whom needs to file a copy of their current cottage insurance policy.

A motion was made and seconded to close the meeting. The motion was approved.

Members not in attendance:
Ewing and Walters

Respectfully submitted,
June A, Stroud Secretary