

Minutes of the
Pinewoods Association Annual Meeting

July 29, 2017

1. Opening remarks – John DeBeer, President
 - a. Deaths – John DeBeer asked for a moment of silence for the following friends of Pinewoods who had passed away during the previous year:
 - i. Jay Spieden
 - ii. Brian Rasmussen
 - b. John DeBeer recognized and celebrated the following births within the Pinewoods community during the past year:
 - i. Lily Fink Harrington and John Harrington
Daughter Heidi Hawk Fink Harrington
 - ii. Jaclyn Fitzsimmons Lingle and Derek Lingle
Son Ethan Fox Lingle
 - iii. Lauren Nicole Smith (Linda Taggart's daughter) and Michael Kite
Daughter Ayla Grace Kite
 - iv. Kristin Cline Matthews and Ashley Matthews
Daughter Teagan Stevie Matthews
 - c. We recognized and celebrated the following marriage within the past year:
 - i. Michael Wade and Katie Hughes
 - d. Changes in Board of Directors
 - i. Carl Geupel has resigned from PWA BOD
 - ii. Jane Hoey was asked by the BOD to serve out Carl's term as Secretary and then to continue to serve on the Board for the next two years under the normal succession from Secretary in 2017 to Treasurer 2017-2018 and President 2018-2019, subject to the usual nomination and election process at each annual meeting
2. Roll Call and Proxy Count – Bitsy Fitzsimmons – 296 shares present (69% of total) – Bitsy Fitzsimmons confirmed we have a quorum.
3. Minutes of previous meeting – Curt DeVoe explained that he had only an incomplete version of the minutes from the 2016 annual meeting saved electronically, which he did not discover until just two days ago. He will prepare a more complete version when he returns to Indianapolis in a few days, where his full notes and files are. Approval of last year's minutes are tabled until next year's meeting to allow Curt to complete and circulate full minutes – will be posted on Association website and distributed via email blast. [The full minutes from the 2016 Annual Meeting are attached hereto.]
4. New members
 - a. Michael Taggart Jr, Kathleen O'Connell and Meagan Ballew - Call for a vote – approved – clarification there are 433 shares (were 431) and new shares were paid and intra-cottage are just reflected on books – Bethie Schultz suggested including share purchase and transfer procedures in cottage information booklet which she prepared and distributed last year and also announcing changes in shares at each annual meeting – George Wilson suggested providing Pinewoods directory with updates to accountants.
5. President's report – added to agenda – John DeBeer reported – see attached.
6. Treasurer report – Curt DeVoe

- a. \$5000 costs to repair damage from July 6, 2017 wind storm (deductible amount) – in addition to \$5000 unbudgeted costs from 2015 storms which were not previously covered
- b. Lower dining hall usage and revenues so far this year
- c. Recommendation for immediate special assessment of \$700 per cottage to cover immediate needs and current expenditures. Curt mentioned this now just as background for discussion and voting later under new business.
- d. Curt will distribute more complete financial reports prepared by our accountants after the meeting, to be posted on the Association website and distributed via group email. [The updated financial reports prepared by the Association's accountants, Smith & Associates, as of July 29, 2017 are is attached hereto.]

7. Committee Reports

- a. Nominating Committee – Beth Schultz announced the slate of nominees for board of directors 2017-2018 – new board member Paul Brown III, Secretary; Jane Hoey to complete Carl Geupel's term and serve as Treasurer; Curt DeVoe to serve as President. Approved after motions and seconds.
- b. Memorial Fund – Ann Sloan – current balance approximately \$6260 – ready to fund two benches by front steps of dining hall – committee also agrees to help fund centennial celebration in amount of approx. \$2500 – Ann's mother and Sue Geupel formed the Fund for this and similar purposes to support PW community and "make life a little better" – focus on "unusual" or "not every year" improvements and projects; Mary Highberger asked about repairing play house, Ann agreed; Frank Cochran suggested funding recent repairs to library portion of building – Curt DeVoe said the board will continue to consider this suggestion in consultation with the Memorial Fund committee; Beth Schultz suggested we all let the committee know of any particular project or use of funds, and also suggested board more regularly advertise the fund and request and encourage donations; Jane Hoey will try to find a written description of the stated purposes of the fund; Stephanie Cochran suggested adding a "check the box" or other option on spring and fall bills providing an option to contribute to the fund.
- c. Library - Lucy Cochran – thanks to DH staff and everyone who helped put the library back together – Larry Bennett asked and Curt DeVoe responded that repairs to library this year were not reimbursed by insurance (less than deductible).
- d. Archives – Frank Cochran – the library closet in which our archives are stored was not damaged by storm; records still need organizing but getting better; Frank encouraged people to return cancelled or deceased shares to be returned to be put in books
- e. Family Trees – Mona Baumgartel – encouraged all to continue notifying her of new family "branches" – email her at address on PW directory – Mona plans to add information on frequent renters to the family trees
- f. Dining Hall – Louisa Lawrence – last year the DH served 10,639 meals, the highest number in ten years; so far this year the DH has served 4767 meals, which is down compared to this time last year and is the lowest number in ten years; thanks to Bitsy Fitzsimmons and Kate Eubanks for continuing to collect and process meal sheets; Louisa said Kathy continues to do a tremendous job of running DH – good management of

people and operations; please let Kathy know at least a week ahead of arrival, even if precise dates or numbers not known

- g. Buildings and Grounds – John Fink – lauded Duncan Lawrence for managing this committee so well – expenditures during the past year were over budget by \$3000 (\$13,000 versus \$10,000) due to storm and new grill; still need to deal with new raft which will be done, stainless steel table in kitchen, windows needing repairs; John requested a Buildings and Grounds budget of \$12,000 for next year (board will consider); Howie Schultz reported that the screen door on west side of DH appears to be hung with hinges on the wrong side of the door, so the door opens into anyone trying to enter – John Fink said he will ask Ed Babcock to fix that; John reported the puddle on north side of Old Stage Road just inside the PW entrance continues to hold water, which smells bad and (per Jeanie Lawrence) poses a safety issue in the winter – Ed has proposed several solutions ranging in cost from \$200-\$500 – approved by acclimation to add \$500 to budget, for a revised total of \$12,500; Anne Cass asked about upgrading tennis courts – John reported fewer players, high cost of resurfacing, Duncan sprays for mold/algae, Ed power washes every few years; Mary Highberger suggested retrofitting one court for pickle ball; Bethie suggested everyone contribute by pulling weeds out of cracks; Lily mentioned play house repairs – ask Ed for estimates, Louisa reported Ed already is working on it.
- h. HLPOA – Phil Will – Phil asked Nick Dewey to report since he attended HLPOA annual meeting; Nick reported approval of the annual state legislation prohibiting mooring boats at road ends; the American Legion is proposing a very large dock structure at its property just west of Higgins Lake State Park (at NW corner of lake) – HLPOA filing lawsuit to oppose; DNR improving and expanding west launch site (about a mile this side of Birch Lodge) which is overburdened – HLPOA meeting with DNR to ask them not to expand that site due to boat overcrowding on HL; most recent report on swimmer's itch reported vast decline lake-wide – Gerrish Twp Park was highest on lake in previous surveys (7% versus 3% of snails infected lake-wide) but recently down to less than 0.5% - program costly (\$90K) but very effective and mostly funded by State of Michigan – trapping and relocating mergansers to Lake Huron (and other local lakes with fewer people) seems to be working better than harassment and removal/relocation definitely is the focus of the battle against swimmer's itch; UMichigan final report on lake level still has not been issued but HLPOA continues to support position of maintaining existing/historic levels and NOT removing the dam; Nick provided copy of resolution encouraging correspondence with state – requested that board make copies available at DH; Phil reminded us that Higgins Lake water reports are available at the Higgins Lake Slice in Time blog.
- i. Roscommon Community Foundation - Louisa Lawrence – great organization – Kathy encourages donation of items to St. Vincent DePaul, they do great job of distributing
- j. Fire and Safety – Jean Lawrence – call 911 even if you have out of state cell phone – emergency services recently upgraded – keep extension cords out from under rugs – hook up hoses when you arrive to be available for firefighting – consider not using candles in cottages – suggests using solar lights instead (see at Lakeside Store) – Mary Highberger reminded us of availability of AED in Dining Hall

- k. Communications – Pinewoods – John DeBeer reported for Kristen Larkin – Kristen doing great job – encourages sending articles, news, etc
 - l. Directory – Phil Will reported he and/or Burr Loomis continue to request and maintain updates – will print and post copy in DH for people to make changes – confirmed cell phones are listed when available – not sure if Burr Loomis wants to continue with his version; Bitsy suggested adding reminder and place to provide information on membership dues notices and invoices
 - m. Trails – Larry Bennett – Larry reported Howie Schultz did most of the trail maintenance work; July 6 storm caused blockages and other problems – Larry encourages more use of trails – John DeBeer asked for thanks and applause for Howie and Larry
 - n. Centennial Celebration – Lily Fink Harrington – 2019 will be 100th summer – Lily described research and reason for 2019 versus 2020 – committee consists of Lily, Kate Eubanks, Bitsy Fitzsimmons, and Amanda Geupel – Bethie Schultz mentioned she and Ann Taylor are collecting Pinewoods memories and stories, particularly from those who were here in the 1950s, 60s, early 70s – pictures gladly accepted
 - o. John DeBeer thanked all of the committee chairs and members and other volunteers, noting they are the glue that holds our community together
8. Old Business – tennis courts and new raft already discussed above
9. New Business
- Phil Will – Deterioration of Higgins Lake, shoreline erosion – HLPOA not adequately addressing – new group being formed – North Shore Environmental Group – includes Pinewoods, Cottage Grove, Lakeside, and other areas from Camp Cornelia to Flag Point – Phil read mission statement and mentioned key organizers – asked those with interest to contact him; issues with HLPOA and automatic and direct billing through Pinewoods, using our Association as a “pass-through” – Phil moved that Pinewoods Association stop this practice – Eric Geupel asked about history of why a previous PW board approved direct PWA involvement – Phil explained HLPOA procedure changed to require individuals be identified as contact and Pinewoods seemed at that time to be a good way to provide this information and streamline billing for HLPOA – Kate Eubanks reminded us we requested last year that each cottage should identify the cottage’s contact person – Nick Dewey feels strongly HLPOA is the best organization to deal with these issues – more clout in Lansing than any other organization, HLPOA is a leader on lake protection and management issues in entire state – Pinewoods Association involvement is a service and convenience to HLPOA and Phil’s concerns do not outweigh that benefit – Hugh Lawrence read HLPOA’s mission statement from its website and said he worries that stopping our current practice of billing HLPOA dues through our Association accountants and invoices would result in cottages not participating and “defund” HLPOA – Frank Cochran mentioned restriction on ownership to waterfront property owners – Ben Cochran asked for clarification as to who is HLPOA member – must be owner of the property but only one person per cottage may act on behalf of that property – Nick explained and also added reason to restrict to riparian owners (keeping backlotters out) – Lynn DeVoe asked and Nick Dewey clarified that multiple cottages could appoint a single person as proxy – Phil tabled his motion – Louisa suggested item in spring Pinewoods about HLPOA and proxy process and further discussion after educating our members

10. Financial solvency and special assessment – Curt DeVoe asked for discussion of the previously mentioned and recommended special assessment of \$700 per cottage to cover budget shortfalls over the past year.

Frank Cochran - Items like new grill should be part of DH budget and funding; to regulate fluctuations in DH revenues, suggest each cottage be responsible for specific amount of DH contribution – motion re same at \$2000 per cottage payment at beginning of summer as an “advance” or “commitment” towards DH operations – Lakeside has minimum \$500 contribution at beginning of season

David Dewey – suggests establishing and maintaining a specific reserve fund – should be based on more serious and specific budgeting

Hugh Lawrence moved and Jane Hoey seconded we authorize the board to assess each cottage \$700 payable within 30 days to cover current expenditures. Approved.

11. Kate Eubanks read the detailed resolution required by our bank, as follows:

- a. Be it resolved that:
 - i. All acts done, actions taken, contracts entered into, and all matters and things done or performed by the members of the Board of Directors of record, individually and/or collectively, in the performance of their duties as Board Members and in furtherance of the business of the Corporation, hereby are approved and ratified as the acts of and for Pinewoods Association;
- b. Be it further resolved that:
 - i. The Stockholders, in order to further the purpose of the Association, hereby authorize the Board of Directors to expend and commit during the year such amounts that they may find necessary and proper to conduct the efficient and legal operation of the Dining Hall through a period between the Annual Meeting and the next Annual Meeting; also such amounts as they may find necessary and proper for maintenance, including but not limited to the emergency repairs for all Association property not to exceed the amount of \$5,000.00;
- c. Be it further resolved that:
 - i. The Board of Directors is authorized to manage all necessary accounts with Chemical Bank, or such other bank as the Board may select from time to time, and to execute all resolutions and other documents and provide all information required by such bank for this purpose.

The motion was seconded and approved.

12. John DeBeer asked for any additional new business and, there being none, adjourned the annual meeting.

Submitted by Curt DeVoe, Treasurer, Pinewoods Association, 2016-2017 (Appointed by President John DeBeer to keep and prepare the minutes for this Annual Meeting)

3:27 PM

08/04/17

Accrual Basis

Pinewoods Association
Profit & Loss
 January 1 through July 29, 2017

	<u>Jan 1 - Jul 29, 17</u>
Ordinary Income/Expense	
Income	
Income - DH	
Meal Payments	48,985.17
Tips Received	545.00
Total Income - DH	49,530.17
Income - GF	
Cottage Caretaking Dues	11,780.00
hipoa	90.00
Membership Dues	12,383.00
Total Income - GF	24,253.00
Memorial Fund	
Interest-Savings, Short-term CD	1.57
Total Memorial Fund	1.57
Total Income	73,784.74
Expense	
330 Medicare	112.44
331 FICA	480.92
332 Federal Withholding	212.00
Adminstration	
Accounting Services	6,365.00
Telephone, Telecommunications	1,167.42
Adminstration - Other	94.00
Total Adminstration	7,626.42
Adminstration - General	286.20
Bank Service Charges	12.00
Caretaker	
Caretaker Repair & Maintenance	6,262.26
Caretaker Salary	18,818.31
Total Caretaker	25,080.57
Food & Supplies	
Supplies	472.98
Food & Supplies - Other	25,582.46
Total Food & Supplies	26,055.44
HLPOA	1,620.00
Labor	
Payroll - DH Manager	6,561.00
Payroll - Hourly Staff	11,696.90
Payroll Expenses	1,599.38
Tips Paid	545.00
Total Labor	20,402.28
Maintenance	
Other repair and Maintenance	2,131.00
Maintenance - Other	24.00
Total Maintenance	2,155.00
Other Expenses	
Miscellaneous & Petty Cash	25.75
Other Repair & Maintenance	512.01
Property Taxes	1,562.72
Total Other Expenses	2,100.48

3:27 PM

08/04/17

Accrual Basis

Pinewoods Association
Profit & Loss
January 1 through July 29, 2017

	Jan 1 - Jul 29, 17
Other Types of Expenses	
Insurance - Liability, D and O	2,389.00
Total Other Types of Expenses	2,389.00
Utilities	
Electricity	1,961.69
Propane	626.44
Utilities - Other	10.64
Total Utilities	2,598.77
Vehicle Expenses	
Gas	196.28
Total Vehicle Expenses	196.28
Workers Comp	822.00
Total Expense	92,149.80
Net Ordinary Income	-18,365.06
Other Income/Expense	
Other Income	
Insurance Payments	285.00
Total Other Income	285.00
Net Other Income	285.00
Net Income	-18,080.06

29 Jul 2017

Presidents Report – PWA Annual meeting

Introduction

Thanks for the opportunity to serve on the Pine Woods Association (PWA) Board of Directors. It has been a learning experience of how a resort corporation works. I am very thankful to have served with very capable other members of the board who knew / know far more about this place than I ever will. Our very capable professional staff of Ed Babcock and Kathy Piehl make the BOD members life very easy because they handle most everything. I wish to give them special thanks. I also wish to thank our volunteers on each of the standing committees for their super service. They along with Ed and Kathy provide the continuity this organization needs because of the limited number of weeks of operation. I wish to also make a very special thanks to our accountants, Smith and Associates, with a special call out to Robin and Jamie. These folks are very, very responsive to our requests for information.

Passing Existing Shares to others

There have been some questions to Carl G, Curt DV, and myself about how to transfer existing shares to others, in your cottage to others. Please notify the existing PWA secretary of the details of the transaction, and also notify our very capable accountants. There are no more stock cert's issued, so all are electronic records.

Centenary celebration – 2019 -

Lily Fink Harrington has graciously offered to serve as the Centenary committee. Folks, we have 2 years to plan this event. If you have any suggestions, memories or photographs please pass them to Lily F. H.

Money requirements

Cash is the lifeblood of any functioning organization that has employees, revenue and expenses. The last 2 years have not been kind to our cash position. We have had back to back insurance deductibles of \$5,000 each from falling branches or trees, total \$10,000 from our cash reserves. This cash needs to be replaced ASAP so the new BOD can sleep easily and not worry about having an overdrawn checking account.

Dining Hall

The dining hall is the glue that holds this community together. Without the dining hall we are just a bunch of cottages on a body of water. It is just wonderful to see the dining hall so full, people have to share chairs from table to table.

Service to Pinewoods

Any non-profit organization needs the commitment of dedicated volunteers. I encourage each and every one of you to volunteer for a committee assignment or offer to serve on the BOD. **PWA needs you.** Even if you cannot serve this year, or next year, please put your name in the hat for the years coming up. Each of you bring a unique perspective to the organization, and new blood and viewpoints are **ALWAYS** needed.

Thanks again for the opportunity.

John DeBeer