

SUGAR SPRINGS PROPERTY OWNERS ASSOCIATION

(SSPOA)

MINUTES – BOARD OF DIRECTORS MEETING – DECEMBER 8, 2018

OFFICERS AND DIRECTORS PRESENT: Vice President, Dale Maxim; Directors: Patricia Berg, Dale Dunham, Dennis Hagey, Thomas Hug, Lynn Wright; and SSPOA GM, Robert Neeb.
President J. Issitt and Director C. Bowman excused.

OTHER MEMBERS PRESENT: Thirty-nine (39) SSPOA members.

At 10:00 a.m., following the Pledge of Allegiance to the Flag, the December 8, 2018 Sugar Springs Property Owners Association (SSPOA) Board of Directors Meeting was called to order by Vice President, Dale Maxim at the Sugar Springs Activity Center.

Vice President Maxim opened the meeting with the Regular Order of Business, pursuant to the published Agenda.

Vice President Maxim read the resolution regarding recording of meeting minutes. Member, Sue Aldrich, agreed to comply with requirements and recorded the meeting.

ADDITIONS/CHANGES TO THE AGENDA: None

REVIEW AND APPROVE PREVIOUS MEETING MINUTES:

Minutes of September 15, 2018 SSPOA Board of Directors Meeting and Minutes of Special SSPOA Board of Directors Meeting on November 9, 2018

Approve minutes of both meetings

M/Berg,S/Dunham

Unanimously approved

TREASURERS' REPORT:

GM Robert Neeb read report. Report accepted as presented.

AMENDMENTS TO THE FINANCIALS:

None

GENERAL MANAGER'S REPORT:

Robert Neeb thanked all involved in recent Tree Lighting Ceremony; especially Tom Hug, Mike Visnaw, Scott Jones, Kim Ehrke, Jim and Pat Issitt, Dave Poxon and Fred Honerkamp. A recent MLive Broadcast showed a list of the ten top most affordable real estate areas in Michigan. Sugar Springs, Lake Lancer was selected for #2 position and Lake Lancelot was in the #4 slot. An update on the SS Dam included the creation of a Lake Authority Committee with county overseeing dam repairs. Lake level to be dropped within the next few weeks and repairs to be made by a contractor. The Manchester Beach House issue is delayed due to lack of response in contractor bids. Nine requests for bids have been sent; one returned. Costs must be re-addressed.

COMMUNICATIONS:

None

OLD BUSINESS:

None

NEW BUSINESS:

AGENDA ITEM XII-I

Approve dates for the 2019 Board of Directors Meetings and the Annual Membership meeting

Board of Directors Meetings:

March 16, 2019	10:00 a.m.	Activity Building
June 15, 2019	immediately following Annual Meeting	Activity Center
September 21, 2019	10:00 a.m.	Activity Building
December 7, 2019	10:00 a.m.	Activity Building

ANNUAL MEMBERSHIP MEETING:

June 15, 2019	1:00 p.m.	Activity Center
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Motion made to approve dates for the 2019 Board of Directors Meetings and the Annual Membership meeting

Board of Directors Meetings:

March 16, 2019	10:00 a.m.	Activity Building
June 15, 2019	immediately following Annual Meeting	Activity Center

September 21, 2019 10:00 a.m. Activity Building

December 7, 2019 10:00 a.m. Activity Building

ANNUAL MEMBERSHIP MEETING:

June 15, 2019 1:00 p.m. Activity Center

M/Wright,S/Hagey

Discussion: None

Motion unanimously approved

AGENDA ITEM XII-II

Approve setting the base rate of yearly assessment at current rate of \$ 440.00 for the 2019 calendar year. Because of the assessment vote non-passage, another assessment vote will be scheduled in 2019 for the years 2020-2022.

Motion made to Approve setting the base rate of yearly assessment at current rate of \$ 440.00 for the 2019 calendar year. Because of the assessment vote non-passage, another assessment vote will be scheduled in 2019 for the years 2020-2022.

M/Hug,S/Berg

Discussion: None

Roll Call Vote:

Six "Ayes", two members not present. Motion unanimously approved.

AGENDA ITEM XII-III

**Approve the 2019 Operating Budget & User Fee Schedule
Budget for 2019 with revenues of \$ 2,637,995.00, expenses of \$ 2,552,795.00 and a capital improvement budget of \$ 381,500.00**

Motion made to Approve the 2019 Operating Budget & User Fee Schedule
Budget for 2019 with revenues of \$ 2,637,995.00, expenses of \$ 2,552,795.00 and a capital improvement budget of \$ 381,500.00

M/Dunham,S/Hagey

Discussion: Fees are increased about 3%, boat dock increase dedicated to lake treatment and maintenance of docks; kitchen at The Hearth needs air conditioning and restaurant area needs new windows. Equipment on golf course requires updating as does the Pro Shop carpeting. Buildings and Grounds Maintenance Bldg roof needs replacing. Costs involving lake aeration have been explored. GM has approached Butman Township who approved a \$ 6,000.00 annual payment to go towards lake treatment.

Motion unanimously approved

AGENDA ITEM XII-IV

Approve that the 2019 Lake Assessments be set at \$ 165.00 for Tier One lots, \$ 95.00 for Tier Two lots and \$ 55.00 for Tier Three lots.

Motion to Approve that the 2019 Lake Assessments be set at \$ 165.00 for Tier One lots, \$ 95.00 for Tier Two lots and \$ 55.00 for Tier Three lots.

M/Hug,S/Berg

Discussion: Will meet the cost of lake treatments by PLM

Motion unanimously approved

AGENDA ITEM XII-V

Approve the continuance of the requirements and fees for consolidating lots purchased from the Gladwin County Land Bank and the Gladwin County Treasurer which were approved by the Board of Directors October 15, 2016.

Motion made to Approve the continuance of the requirements and fees for consolidating lots purchased from the Gladwin County Land Bank and the Gladwin County Treasurer which were approved by the Board of Directors October 15, 2016.

M/Hagey,S/Dunham

Discussion: The purpose of this continuance is to encourage the purchase of tax foreclosed lots and obtain the benefits from such purchases. Transactions are handled through Gladwin County.

Motion unanimously approved.

AGENDA ITEM XII-VI

Approve the following lot consolidations:

- **Huntington Realm – Lots 8-9**
- **Kings Realm – Lots 165-166-167**
- **Manchester Realm – Lots 9-10**

Motion made to approve the following lot consolidations:

- Huntington Realm – Lots 8-9
- Kings Realm – Lots 165-166-167
- Manchester Realm – Lots 9-10

M/Hagey,S/Hug

Discussion: None

Motion unanimously approved

AGENDA ITEM XII-VII

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to approve the SSMGA and SSWGGA golf tournament calendars for 2019.

Motion made to approve

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to approve the SSMGA and SSWGGA golf tournament calendars for 2019.

M/Berg,S/Dunham

Discussion: None

Roll Call Vote:

Six Ayes. Two members not present. Motion unanimously approved.

AGENDA ITEM XII-VIII

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to establish a Board of Directors Code of Ethics and Confidentiality Policy

BOARD OF DIRECTORS CODE OF ETHICS AND CONFIDENTIALITY POLICY

Code of Ethics and Confidentiality:

In order to encourage and foster open and candid discussion at its meetings, the Board of Directors of Sugar Springs Property Owners Association believes confidentiality must be maintained. Therefore, it is the policy of the Board of Directors of SSPOA that each director and staff member shall keep confidential any and all information relating to discussions at its meetings unless compelled by legal process to disclose such information, or such information, or as otherwise agreed by the board. While Board members are free to discuss the result of Board action items, disclosing any information concerning the discussion of such items during the Board meeting is prohibited.

Board members acknowledge that any violation of this policy could cause harm to SSPOA and frustrate Board deliberations. Therefore, any Board member who violates this policy shall be subject to termination of his/her Board position.

In order to ensure compliance with applicable laws and to protect SSPOA, its members, officers, directors, staff and committee members from potential legal problems regarding conflicts of interests and violation of fiduciary obligations, SSPOA endorses and adopts the following statement of policy.

I. Duty of Loyalty

Among the fiduciary obligation of an officer, director, staff member or committee member of a nonprofit corporation is a duty of loyalty to the non-profit corporation. This includes supporting and not opposing directly or indirectly or taking any other stance against the policies and positions duly adopted by SSPOA Board of Directors. As representatives of SSPOA, officers, directors, staff and committee members are obligated

to maintain this duty of loyalty in all manner of activities during their terms of office. This duty of loyalty is not intended to, nor should it, discourage debate within Board or committee meetings. Such debate is encouraged and is part of the individuals responsibility in the deliberation process.

II. Confidentiality of Board Discussions and Board Documents

In order to encourage and foster open and candid discussion at its meetings, the Board of Directors of SSPOA believes confidentiality must be maintained. Therefore, it is the policy of the Board of Directors of the SSPOA that each director and staff member shall keep confidential any and all information relating to discussions at its meetings, including any and all materials, e.g., correspondences, reports, etc., unless compelled by legal process to disclose such information, or as otherwise agreed by the Board. While Board and staff members are free to discuss actions adopted by the Board, disclosing or distributing any information concerning the discussion of such items during Board meetings is prohibited.

III. Conflicts of Interest

Another fiduciary obligation of a non-profit corporation officer, director, staff and committee member is to avoid "conflicts of interest". A "conflict of interest" is generally defined as a transaction in which, because the individual is, either directly or indirectly, a party to the transaction or possible beneficiary of the transaction, there is or may be a conflict between the individual's fiduciary obligations to the non-profit corporation and the individuals personal or business interests. To avoid potential conflict of interest problems, SSPOA implements the following procedures:

- 1. In any transaction involving SSPOA and a SSPOA officer, director, staff or committee member, and any corporation, partnership or other entity in which an individual is an officer, director, staff or committee member has or expects or intends to have a financial or other beneficial interest, such individual prior to any discussion or decision concerning the transaction, shall fully disclose to the SSPOA Board or the appropriate committee considering the transaction the material facts of the transactions and the individuals interest or relationship.**
- 2. Upon such disclosure, the individual shall take no further part in the meeting during which time the proposal is considered and voted upon.**
- 3. After receiving such disclosure, prior to approving the transaction, the Board or committee must conclude that the transaction is "fair to SSPOA" and must approve the transaction without the participation or the vote of the interested individual.**

4. The interested individual's presence at the meeting may be counted in determining whether a quorum of the Board or committee is present, but that individual shall not vote on the transaction.

IV. Fiduciary Obligations as to SSPOA Opportunities

Another fiduciary obligation prohibits an officer or director of a non-profit corporation from seizing a "corporate opportunity" for his or her company's benefit or his or her personal benefit. This means that such an individual may not take advantage of a business opportunity in which the officer or director knows SSPOA has a genuine interest and where such an association opportunity would be consistent with SSPOA purposes, mission and goals as a non-profit corporation. Further, if the officer or director becomes aware of such an opportunity, he or she is obligated to so inform SSPOA and allow SSPOA to become aware of such an opportunity, he or she is obligated to so inform SSPOA and allow SSPOA to act first.

V. Participation in Deliberations and Actions

In any case in which there is a question of loyalty, conflict of interest, or corporate opportunity raised, the officer or director shall not participate in the meeting for the entire time the matter is discussed and voted upon.

I have read and understand the above expectations for the Board of Directors in Sugar Springs Property Owners Association and agree to abide by this code of ethics and duty of confidentiality.

Signature

Date

Motion made to approve

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to establish a Board of Directors Code of Ethics & Confidentiality Policy

(as stated in above copy)

M/Berg,S/Wright

Discussion: Code of Ethics will appear on Website

Roll Call Vote:

Six Ayes. Two members not present. Motion unanimously approved.

AGENDA ITEM XII-IX

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to transfer \$ 120,000.00 from the General Fund to the Building Reserve Fund for 2018.

Motion made to approve

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to transfer \$ 120,000.00 from the General Fund to the Building Reserve Fund for 2018.

M/Wright,S/Hagey

Discussion: None

Roll Call Vote:

Six Ayes. Two members not present. Motion unanimously approved.

AGENDA ITEM XII-X

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to continue Member-Not-In-Good-Standing for Anthony Papa

Motion made to approve

Resolution:

Whereas, the Sugar Springs Board of Directors hereby resolves to continue Member-Not-In-Good-Standing for Anthony Papa

Discussion: This action was initially approved at September 15, 2018 Board meeting and agreed that the BOD has the authority to review and renew decision every thirty (30) days for one (1) year. Members asked BOD to reconsider voting on the issue every 30 days. Member in question may contact BOD regarding appeal if he so chooses.

Six Ayes. Two members not present. Motion unanimously approved.

STANDING COMMITTEE REPORTS:

ARCHITECTURAL & ENVIRONMENTAL COMMITTEE: (Bd Rep: D. Hagey)

Scott Jones reported next meeting scheduled for January 8, 2019.

AIRPARK COMMITTEE: (Bd Rep: C. Bowman)

No report.

CAMPING COMMITTEE: (Bd Rep: C. Bowman)

No report.

BUDGET COMMITTEE: (Bd Rep: D. Maxim)

No report.

BUILDINGS & GROUNDS COMMITTEE: (Bd Rep: L. Wright)

No report.

ELECTION COMMITTEE: (Bd Rep: D. Dunham)

Members are encouraged to file applications for BOD positions. The election is in June 2019.

GOLF COMMITTEE: (Bd Rep: P. Berg)

Schedules for Golf Events approved at this meeting. Repairs to pond completed.

LAKES COMMITTEE: (Bd Rep: T. Hug)

Meeting minutes of September 13, 2018 submitted to the Board prior to this meeting. E.coli testing continued with results within proper limits. Committee will work with A&E to manage docks, buoys and swim platforms. PLM will extend weed treatments if needed.

MEMORIAL COMMITTEE: (Bd Rep: L. Wright)

Jo Hagey, Chairperson, reported that committee met in November and discussed families wishes for appropriate memorials including benches. Will explore the possibility of installing a “Little Library Stand” and/or book sharing location at the Chalet. Next meeting May, 2019.

NOMINATION COMMITTEE: (Bd Rep: D. Hagey)

No report.

PLANNING COMMITTEE: (Bd Rep: D. Maxim)

No report.

RECREATION COMMITTEE: (Bd Rep: T. Hug)

Meeting minutes of September 11, October 9, and November 13, 2018 were submitted to the Board prior to this meeting. Members assisted Camping Committee with Trunk or Treat event, fans for Sugarsize were purchased, annual fall card party was successful, the Visnaws to chair the MSU/UM football party, December 7 scheduled for Christmas Tree Lighting Ceremony, the cost of three sets of Corn Hole boards will be assumed by Committee. Winter Fest date is January 19, 2019, Super Bowl Party on February 3, and Pool Fest reserved for February 16. Potlucks and game nights will be February 10 and March 10 at the Activity Center beginning at 5:00 p.m. Birthday Dinners continue with postings on social media. Cost of a new CD for water aerobics was approved.

ADDRESSES TO THE BOARD:

Members concerned with the following:

- Notifying members of BOD Special meetings.
- Availability of Budget to members.
- Silt traps and laws regarding disposal of debris from aeration.
- Size/height of speed limit signs.
- Limiting access to beach areas used by the public.

COMMENTS FROM BOARD MEMBERS:

BOD is willing to work with all members to resolve issues and reach solutions. All volunteers were thanked for their service during 2018. Holiday greetings to all.

ANNOUNCEMENTS:

None

ADJOURNMENT:

With all Agenda Items completed and without objection, Vice President Maxim adjourned the meeting t 11:48 a.m.

Respectfully submitted,

Judith Sullivan, Recording Secretary

Lynn Wright, Corporate Secretary, Sugar Springs Property Owners Association

