

Heather Lakes Estates HOA
Annual Meeting Minutes
October 16, 2007

Call to Order: The meeting was called to order by Lou Barak at 7:35 pm at Pine Tree Elementary School, Lake Orion, Michigan. A copy of the 2007 Annual Report was distributed to the residents in attendance.

Quorum: The quorum requirements were met with 78 residents by presence or proxy.

Approval of Minutes: Joyce Marker, Lot #9, motioned to approve the minutes of October 17, 2006. Seconded by Nick Ladny, Lot #304. Motion carried.

Financial Report: Howard Sherman presented the financial report. The cash balance as of 9/30/07 was \$61,897.00. Anticipated expenses through the end of the year were \$47,184.00. The augmentation well came in under budget. Refund checks will be sent to lakefront owners next summer. The new service tax (6%) may impact the Association by \$3,000.00. There are nearly \$5,000.00 of delinquencies for 2007 plus an additional \$5,600.00 from previous years. Heather Lake has seen a number of foreclosures within the past year. The Board is willing to work with any homeowner with respect to payment of the association dues, but the Board also has the fiduciary duty to collect and recover association dues. Howard Sherman reviewed the 2008 budget.

Stan Duda, Lot 100: Motion to approve 2008 budget for \$94,850.00. Seconded by D-Arcy Gonzales, Lot 289. Motion carried unopposed.

Common Area Report: Sue Marcus presented the common area report. She briefly outlined the terms of the various contracts for lake treatment, lawn, fertilization and snow removal. Residents are reminded that the storage of boats, trailers and RV's on the premises is prohibited. Owners of vacant lots are required to keep their lots cut. The Architecture Committee approved modification plans for Lots # 48, 90, 199, 188 and 309. There were no new homes constructed.

Augmentation Well Report: Russ Fielding presented the augmentation well report. The pump was officially started on July 13th and ran continuously until September 30th, 2007. With the well running, the lake level was held within +/- 2 inches of where it was when the pump started. During pre-start up tests, it was determined the 40 hp motor was drawing too much current and had to be changed to a 50 hp unit. Because of the larger pump motor, operating costs for the well ran higher than originally anticipated. For the 11 weeks that it ran, the cost was \$8,000.00.

Street Lighting: Lou Barak presented the status of the street lighting project. The original bids came in over budget. The Board is currently reviewing two reasonable bids and is close to awarding the project.

Trash Hauling Report: Jack Thompson presented the trash hauling report. The Board investigated multiple carriers and recommends Washington or Smith Disposal as the preferred subdivision carriers.

Tom Kimble, Lot 113: Motion that Heather Lake Estates HOA contract with one hauler and that one hauler should be paid by Association dues. Bob Check, Lot 277, seconded the motion.

Discussion: Residents suggested calling neighbors to switch to Washington Disposal.

Tom Kimble withdrew his first motion and asked the Board to go back and settle on one trash company.

Election of the Board: The incumbents running for the Board were Russ Fielding, Jack Thompson, Joanne Gunabalen, Howard Sherman and James Gillen. Nominees were Jessie Richmond, Frank Granett and Stan Duda. The ballots were counted by Kay Wrublewski and Sherry Gillen. Jessie Richmond and Frank Granett were elected to the Board.

Adjournment: John Marcus, Lot 91, motioned to adjourn the meeting; seconded by Mark Seiler. The meeting was adjourned at 9:35 p.m.

Respectfully submitted,

Suzanne Marcus