

MONARCH COVE

Okoboji Camp Owners Cooperative

15353 Harmon Lane Spirit Lake, IA 51360

Warren Vickery
Vice President
402-990-5375

Jim Benz
President
712-540-2126

Gladys Shultz
Secretary
712-336-8958

Fred Shultz
Treasurer
402-990-5375

DIRECTORS

Dan Bennett – 712-490-6553, **Sandra Bowman** – 785-597-5230
Debbie Earleywine 402-650-1715 **Kristin Jacobi** – 402-215-7574
Tim Kennedy – 507-420-1227, **Mark Lemke** – 712-339-1848
Allan Sieck – 515-314-8807

NOTE: Member Payments are to be mailed to: P.O. Box 47, Spirit Lake, IA 51360

MINUTES

MONARCH COVE ANNUAL MEETING

July 29, 2017

President Jim Benz called the 2017 Monarch Cove Annual Meeting to order at 2:05 p.m. on Saturday July 29, 2017. Everyone was pleased with the turnout which was one of the largest in recent memory.

o

Derek Bergman, the new Director of the United Methodist Camp, was introduced and invited to speak about his background and about future projects. Derek told the members present about exciting new building plans that Methodist Camp is planing.

○

President Benz read the list of new members since our 2016 Annual Meeting and introduced those new members who were present at the annual meeting.

The new members are:

- Lon and Denise Friesth. Lon and Denise bought the Charlene Korslund home at 2138 Hickory Street.
- Gary and Shelly Baxter. Gary and Shelly bought the Sande home at 21350 Burr Oak Street.
- Chris and Tara Hartman. Chris and Tara bought the Donna Wert home at 21334 Ash Street.
- Thom and Connie Farmstad and Scott Rocker. Thom, Connie and Scott are the new owners of the Kathryn Rocker family home at 51385 213th Avenue.
- Paul and Vic Karssen. Paul and Vic have bought the Porsch home at 21301 Burr Oak Street.

○

Memorial Committee Chairwoman, Kristin Jacobi, led the members present in a remembrance of those members and former members that have passed away since our 2016 Annual Meeting.

The members who have passed away since our last annual meeting are:

- Mary Jan Pearson
- Joyce Bolte
- Hazel Liston
- Kenn Anderson
- Merle Dopp
- Carolyn Macrander
- Rod Robinson

The former members who have passed away since our last annual meeting are:

- Margaret Genschmer
- Milan Bragg

○

Finance Committee Chairman and Monarch Cove Treasurer, Fred Schultz, gave a financial report for Monarch Cove. Fred went over a handout that he had prepared for the annual meeting. A copy of this financial report is available upon request for those members who were unable to attend the annual meeting.

o

The Monarch Cove Board of Directors consists of nine members. Six members are At Large directors. The At Large directors are elected by the entire membership for a three year term. Three members of the Board of Directors are Ward directors. At the annual meeting each year each ward elects a member to serve as its Ward Director for a one year term until the next annual meeting.

Article 3, Section 2 of the By-Laws require that the President appoint a nominating committee to nominate at least one candidate for each of the two at large positions to be filled. The by-laws state that the nominating committee must consist of one board member who shall be the chairperson and two members that are not on the board of directors. The nominating committee this year consisted of Jim Benz, chairman, and Nate Northey and Don Hemphill as the non-board members of the nominating committee. The two at large board members whose terms have expired are Allan Sieck and Jim Benz. The nominating committee nominated Allan Sieck and Jim Benz to serve another term.

Don Hemphill then conducted the election for two At Large directors. Don is the Monarch Cove attorney. He is also a member of Monarch Cove and is on the nominating committee. Allan Sieck and Jim Benz were reelected as At Large directors for another 3 year term.

The members of the 2017-2018 board of directors are:

1. Jim Benz, whose term will expire in 2020.
2. Allan Sieck, whose term will expire in 2020.
3. Debbie Earleywine, whose term will expire in 2019.
4. Kristin Jacobi, whose term will expire in 2019.
5. Warren Vickery, whose term will expire in 2018.
6. Dan Bennett, whose term will expire in 2018.
7. Mark Lempke, whose term will expire in 2018. Mark represents ward #1.
8. Tim Kennedy, whose term will expire in 2018. Tim represents ward #2.
9. Sandy Bowman, whose term will expire in 2018. Sandy represents ward #3

○

Jim Benz presented the 2017 President's Report to the members present. In his report, among other things, Jim told the members present that the next large Monarch Cove infrastructure project had to be our roads.

Jim said that the estimated cost to resurface the Monarch Cove roads will be between \$250,000 and \$350,000. Jim said that Monarch Cove had a warranty on the road patches from our water project from Carstensen Construction and that this warranty did not expire until December 16, 2018. Jim said that he hopes to be able to begin the road project in the Spring of 2019. Jim said that one of the first decisions Monarch Cove has to make is how to finance the road project. Jim said that he ran a computerized amortization on a \$350,000 loan amortized over 20 years at 6% interest. Jim said that interest on this loan would cost Monarch Cove \$252,055.39. Jim said that the total cost of a \$350,000 road project would be \$602,055.39 if we borrowed the money to pay for the project at 6% interest, amortized the loan over 20 years. Jim also said that he did not know of any banks that would make this loan without requiring either collateral for the loan or a guaranty from the members.

Jim said that for its water project Monarch Cove borrowed the money over 20 years. Jim said that the difference between our water project and our road project is that Monarch Cove was able to qualify for a \$950,000, 1.75% State Revolving Fund loan with a 0.25% service fee amortized over 20 years. Jim also said that with our water project the State Revolving Fund did not require any collateral or guaranties to obtain the loan. Jim said that the SRF loan was created to fund water infrastructure projects. Jim said that there are no similar loan funds for road projects.

Jim told the members present that his recommendation was that Monarch Cove self fund the road project. Jim said that a \$350,000 project divided this cost by 145 members would cost each member about \$2,414.

Jim asked all of the members present at the annual meeting to vote on how they wanted to fund the road project by raising their hands. Jim said that this would be helpful to the board so that they will know what those present at the annual meeting wanted them to do. Jim asked all those present that wanted to borrow the money to fund the road project to raise his or her hand. No hands were raised.

Jim then asked the members present to raise their hand if it was their preference that Monarch Cove self fund the cost of the road project with member assessments. Almost every person present raised his or her hand.

The Board and committee chairs present then answered questions from the floor.

○

The annual meeting adjourned around 3:30 pm

Organization Meeting of 2017 Monarch Cove Board of Directors

An organizational meeting of the 2017 Monarch Cove Board of Directors was opened with Attorney Don Hemphill asking for nominations for officers for the coming year. It was moved, seconded and carried that all officers would remain the same.

The board then discussed at length how to fund the road project. The board agreed that it was not in the best interest of Monarch Cove to borrow the money to fund the road project. The board agreed that it was best for Monarch Cove to fund the project with a member assessment. The board discussed assessments. The board discussed a one time assessment on January 1, 2019. The board also discussed equal quarterly assessments for 8 quarters. The board felt that it is best to have quarterly assessments. The board felt that it would be less burdensome on the members to have smaller assessments over 8 quarters rather than one large assessment. The board also discussed the fact that Monarch Cove cannot know the actual cost of the road project until we get nearer to the time when the project begins. The board felt that it is best to begin the assessment in the third quarter of 2017. The board also felt that the amount of the assessment should be calculated on a construction cost of \$350,000. The board felt that it is best to use the larger figure for the first calculation. The board agreed that it will adjust the amount of the calculation when it learns the actual cost of the road project. The board felt it is best to begin with a conservative figure and that the Board will later reduce the amount of the assessment if the board finds out that the cost of the road project will be less than \$350,000.

It was moved, seconded and carried that Monarch Cove fund the road project with 8 quarterly assessments calculated at a construction cost of \$350,000 and that the amount of the assessment will be adjusted at that time when the board knows the actual cost of the road project.

Meeting adjourned around 4:15 pm