

SWEETWATER EAST INVESTMENT CO.
dba LAKE HENRY ESTATES
Annual Shareholders Meeting **Minutes Amended**
January 11, 2021 – 7:00 PM

1. **Call to Order -** Paul Bockelman
2. **Pledge to the Flag – Moment of Silence** Paul Bockelman
3. **Roll Call -** Rocco Guarino
President- Paul Bockelman Treasurer- Mike Arseneault
Vice President- John Bakle Secretary - Rocco Guarino
Director at Large- Terry Lareau
All present.
4. **Declaration of Quorum** Carmen Wilde
Carmen Wilde declared we had a quorum. The meeting could proceed.
5. **Acceptance of Shareholders Meeting Minutes** Rocco Guarino
 - a. January 13, 2020 Annual Shareholders Meeting Minutes
Terry Lareau made a motion to accept the Jan. 13, 2020, Shareholders Meeting Minutes be accepted. Mike Arseneault made a second to the motion. Motion passed.
 - b. November 2, 2020 Special Shareholders Meeting Minutes
John Bakle made a motion to accept the Nov. 2, 2020, Shareholders Special Meeting Minutes be accepted. Terry Lareau made a second to the motion. Motion pass
6. **Nominating Committee Report** Dale Stone
Dale Stone declared that the Lake Henry Board of Directors had three positions open that were two-year terms.
 - a. Introduction of Candidates - There were three shareholders that agreed to run for the open Board positions. They are: Mike Arseneault, John Bakle, and Vaughn L. Lewis. Their resumes have been posted and also printed in the *Lake Henry Estates Newsletter*.
 - b. Nominations from the floor- Dale Stone called out three times for any more nominations from the floor. After waiting for a response and being none, nominations were closed.
 - c. *Mike Arseneault, John Bakle, and Vaughn L. Lewis were declared the new Board of Directors by acclamation. They will fill the vacated two-year positions.*
7. **Explanation of proposed Bylaw changes** Rocco Guarino
Rocco Guarino read through the proposed Bylaw changes on the Ballot and explained each item.
See attached sample ballots
 - Article 4 Section 1. Annual Meetings** (changed in case of dire circumstances & posted 15 days in advance.)
 - Article 4 Section 3 Place of Meetings** (add address – at 684 Dyson Road, Haines City, Florida)
 - Article 5 Section 12 Vacancies** (add language – for the remainder of the term of the departing Director. Add language – if a 2nd vacancy and departing Director’s term is in excess of 60 days, special shareholders meeting)

Article 5 Section 15 Expenditure Limitation (\$15,000 from \$10,000 plus language added – Purchases, projects, contractor other instruments that are above the \$15,000.00 limit and have been approved by the shareholders, shall be allowed a maximum of a 10% overage for justifiable cause.)

Article 6. Section – Treasurer (Language added to duties of the Treasurer. The administering and direction of carrying out all business aspects through an Office Manager or other employees. The Treasurer shall be responsible ... and oversight for such other duties...)

Section 3. Nomination (Delete nominations from the floor at the annual shareholders meeting) Filling of open positions covered in Article 5, Section 12.

8. Open for questions

Rocco Guarino

There were no shareholders asking questions for the board on these Ballot items.

9. Explanation of proposed community lighting changes Paul Bockelman

The cost of around \$23,000/ year from Duke Energy to rent the tall streetlights for the past 25 years, the Board conducted a Lighting Study. Paul once again reviewed the results of the study. The conclusion that the community would be better served by removing the Duke Energy street lights, installing lights along the road from the clubhouse to the entrance gate as well as other areas as determined. Along the north perimeter of the property, along golf holes 5 and 6 down to the compound, there is security lighting. This will not change. Currently there isn't much security lighting along Dyson, this could be looked at and remain in the budget if lights are needed. The budget of this project would not exceed \$20,000. The project would have a one-year payback.

Questions from the Shareholders -

We still recommend replacing the current lamppost light bulbs with 75W LED bulbs. Anyone needing assistance to physically change the light bulb, should contact Cindy Poling.

The question was asked about who would be responsible for the removal of the current tall streetlamps. The Board has talked with Duke Energy about this. Duke Energy would be responsible for the removal. There needs to be more clarification about the removal of the wiring. The Board is exploring the use of solar lighting.

When asked about the Board doing a bulk purchase for the 75W LED lightbulbs for resident lamp posts, the response was that at the current time they have not found a cost-effective way to do that. They would continue to look into that, but not expecting to find a cheaper way to get the LED lightbulbs for the individual homes.

10. Election Committee

Carmen Wilde

- a. Voting and casting ballots
- b. Counters excused to count ballots

11. Financial Reports

Mike Arseneault

- a. 2021 Operating Budget (adjusted for new dues)
 - A. New total Maintenance fee Budget is \$772,800. \$16,800 moving it into 7420 Projects 2021, raising it to \$29,000
 - B. The rest of the Budget remains the same.

- b. Funds at Center State Bank
 - A. Corporate account \$104,003; LHE Debit card \$652; Social \$8,500; Pub almost \$8,000; 2020 Projects \$40,477 and Emergency account \$50,000
- c. 2020 Profit and Loss Budget vs Actual Report
 - A. First in code 4000, 4001 Maintenance fees shows positive \$5,624. That is from the sale of the home at 629 Watercrest Drive, included 1 payment from 2018, all the 2019 payments and most of 2020 payments.
 - B. 4004 Positive \$910 also from 629 Watercrest due to us having the property maintained.
 - C. 6300 Security gate and flag - \$7,000 over due to new gate openers. Compound openers were bad, so bought new openers, put them on the front gate and moved those openers to the compound.
 - D. 6400 Taxes - \$8,850 over due to paying the 2014 taxes.
 - E. 6500 Main sewer and water plant – \$11,291 over. Due to new radiator for the fresh water diesel backup generator. Chlorine analyzer \$7,500 for when chlorine goes out of range to notify Consta Flow right away. Replaced 2 lift pumps for close to \$4,000 each.
 - F. 6600 Amenities – over \$8,500; spa heater replaced at the end of 2019 and pool pavers \$3,800 during the summer.
 - G. 6900 Utilities – \$1,800 over; Street lights \$1,400 over budget, additional phone line for the chlorine analyzer
 - H. 7400 Projects, \$41,883 under budget; carrying that over into 2021 projects Budget resulting in a total of \$82,360, most of which will go towards the #4 retention pond.
 - I. 7500 Emergency Fund under Budget \$17,000, will be rolled over into the 2021 Emergency Budget to total \$67,000

12. Internal Auditors Report

Herb Kramer

Paul Bockelman informed the Shareholders that Herb Kramer submitted the committee's report. No discretionary problems were found. The suggestion was when expenditures are approved put a date on them.

Paul, Bockelman discussed the Covid situation. We have tried to get Polk County to come in and vaccinate, to no avail. Several sources within and outside the community, will notify us of any opportunities.

13. Election and Ballot Results

Carmen Wilde

- A. Proposed Community Street lighting Changes - Passed votes: 151-37
- B. Article 4. Section 1 Annual Mtgs. – Passed votes: 184-4
- C. Article 4. Sec.3. Place of Mtg. – Passed votes: 184-4
- D. Article 5. Sect 12. Vacancies – Passed votes: 177-12
- E. Article 5. Sec.15 Expenditure Limitation. – Passed votes: 162-26
- F. Article 6. Sec.7 Treasurer. – Passed votes: 183-5
- G. Section 3. Nomination. – Passed votes: 159 – 29

14. Swearing in of new Directors

Paul Bockelman

Paul Bockelman swore in the new LHE Board of Directors in front of the Shareholders. (Election of Board officers meeting 1:30 PM Wednesday, January 13, 2021)

15. Adjournment

Paul Bockelman

Rocco Guarino made a motion to adjourn at 7:42 PM. Mike Arseneault seconded the motion. Motion passed.

Respectfully submitted,

*Rocco Guarino, Secretary
January 12, 2021*

Nora Kay Francis, Assistant to the Secretary