

June 25, 2024

Dear Apache Hills Neighbors:

Enclosed is your packet of materials in advance of the 2024 Annual Meeting of the Apache Hills Property Owners' Association, Inc. (AHPOA) to be held Saturday, July 27 at First Baptist Church of Pentwater Fellowship Hall, 101 S. Rush Street in Pentwater. These documents satisfy the pre-meeting document and timeline mailing requirements of the Association's By-Laws as stipulated in Article III, Section 4.

The AHPOA Board of Directors has ratified the date of Saturday, June 29, 2024, for the "Closing of Books" pursuant to Article III, Section 7 of the By-Laws. Only members of the Association who are "in good standing" (have paid in full any outstanding dues/assessments) as of that date will be able to participate and vote, either in person or by Proxy, in the Annual Meeting.

If you have not yet done so, please register on the AHPOA website <https://www.apachehillspoa.org> so that you can access important neighborhood news and notifications, Association financial information and meeting minutes. As a reminder our website also includes a directory of AHPOA owners and lot numbers; should you wish to allow other lot owners to contact you, you may contact the Webmaster on our website to voluntarily add your address, email address and phone number to your listing. The Association no longer publishes a neighborhood directory because a large number of owners have expressed they do not wish that information to be made public. It is our policy to only send you official business of the Association using your information that we have on file.

As required by our By-laws, this packet includes the names of the Director candidates whom the Board proposes be elected at the Annual Meeting to fill any vacancies/expired Board terms. A short bio on each candidate is also provided. Each of the recommended candidates is presently on the Board and, in addition to providing the overall administration of the neighborhood, each has been involved in bringing the AHPOA/SNC lawsuit to a conclusion that provides the most favorable outcome for the Association. The 51st Circuit Court for the County of Oceana has awarded our Association the total amount of attorney's fees and costs that we have spent defending our Covenants in this lawsuit (nearly \$71,000); the next step is to recover as much of this money as possible. However, all indications are that SNC intends to fight and appeal this decision. The current Board is united, prepared and motivated to finally end this legal issue and recover the funds for our neighborhood. We therefore propose and endorse the re-election of Don Enyart, Alyssa Mellish, Chad Sadosty and Daniel Woodhead.

Please note that a 2024 Proxy is included with these materials. If you are unable to attend the Annual Meeting in person, please be sure to complete and sign the 2024 Proxy and either submit it to the Secretary in advance of the meeting by the specified date or give it to your Proxy representative who will be in attendance.

I join with our other Board Directors in looking forward to an efficient and productive Annual Meeting on July 27. We hope to see you there.

Don Enyart, AHPOA President



APACHE HILLS PROPERTY OWNERS' ASSOCIATION, INC.

2024 ANNUAL MEETING AGENDA

First Baptist Church of Pentwater
Fellowship Hall
101 S. Rush Street
Pentwater, MI 49449
July 27, 2024 10:00 a.m.

- I. Call to Order – Don Enyart, President
 - a. Welcome
 - b. Introduction of Apache Hills Board Members
- II. Membership Roll Call and Quorum Determination – Alyssa Mellish, Secretary (25 members, including proxies, are required for an official meeting)
- III. Approval of 2023 Annual Meeting Minutes – Alyssa Mellish
- IV. Financial Report – Joe Donovan, Treasurer
- V. Committee Reports
 - a. Grounds Committee – Tom Roose, Chairman
 - b. Building Committee – Tom Roose, Chairman
- VI. Old Business
 - a. Update on AHPOA vs SNC Lawsuit – Don Enyart and Joe Donovan
- VII. New Business
 - a. Introduction of Board-Proposed Director Candidates – Don Enyart
 - b. Floor Nominations for Director Candidates – Don Enyart
 - c. Voting Instructions – Alyssa Mellish
 - d. Tabulation of Ballots – Current Director and Volunteer
- VIII. Open Forum (one opportunity to speak, three-minute limit) – Don Enyart
- IX. Adjournment – Don Enyart

APACHE HILLS PROPERTY OWNERS' ASSOCIATION, INC.

2024 ANNUAL MEETING PROXY

First Baptist Church of Pentwater
Fellowship Hall
101 S. Rush Street
Pentwater, MI 49449
July 27, 2024 10:00 a.m.

I, the undersigned owner of _____ (quantity of) lot/s in the Apache Hills Property Owners' Association, hereby authorize _____ (name)

to represent me at the AHPOA Annual Meeting on July 27, 2024, at 10:00 a.m.

One vote per lot may be cast on my behalf for the election of Directors and all other business at this meeting.

Lot Number/s _____

Lot Owner's Name (print) _____

Lot Owner's Signature _____

Date Signed _____, 2024

Instructions:

If you are unable to attend the meeting, complete this 2024 Meeting Proxy and either mail or email it in its entirety to the AHPOA Secretary at the addresses below no later than July 19, 2024 (to allow time for delivery and processing), or provide it to your Proxy representative to bring to the meeting.

Apache Hills Property Owner's Association, Inc.
Alyssa Mellish, Secretary
PO Box 972
Pentwater, MI 49449

apachehillsbod@gmail.com



AHPOA Secretary's Signature

AHPOA TREASURER'S REPORT

For the Year Ended May 31, 2024

Financial statement highlights:

- All bank accounts are fully reconciled, with no outstanding unreconciled items.
- Cash balances of \$43K in total, of which almost \$31K is in our Capital Reserve account, higher than the 5/31/23 Capital Reserve balance by at least \$3,525, in compliance with the By-Laws.
- Accounts Receivable of less than \$2K, made up of 7 lots unpaid. Accordingly, 95% of dues and assessments have been paid by community members since the January 2024 billing. We will continue to collect on these open accounts during this new fiscal year.
- Accounts Payable of about \$7.5K, completely made up of our balance still owed to Hirzel Law PLC related to the SNC short-term rental litigation.
- Legal fee expenses of \$13.5K for the year are largely related to Hirzel Law PLC and have been recorded in full when billed during the year. The budget for the whole year was \$20K, so we are 32.5% under budget for the year.
 - No recording of contra-legal fees, attributable to the potential future recovery of legal fees from the defendant, Sears Nichols Cottages, LLC, has been recorded during 2023-24, because the recovery judgment has not been finalized by the court as of the date of publication of financial statements for this past fiscal year. We will record any such legal fee recovery, as a reduction of legal expense, when the matter is finally resolved in the judicial system.
- Net income was almost \$15K for the year because of good controls on all expenses: legal fees, maintenance, etc.
- Our cash is \$6K higher than it was on May 31, 2023. That is driven by our net income of \$15K, but somewhat offset by balance sheet fluctuations (AR and AP), and some good news on a cash outflow: we invested \$4K in our fixed assets, with a new 16 foot dock section at the launch and some new solar lighting.

Other updates:

- The 2024-25 budget was approved by the Board of Directors on 6/17/24.
- The next audit of the AHPOA financial statements will be for fiscal 2024-25, to comply with the By-Laws, as they relate to both: (1) the end of the five (5) year audit cycle and (2) concurrent with a change in the Treasurer.

Respectfully submitted,

Joe Donovan, Treasurer

Apache Hills Property Owners Association, Inc 2024-25 Budget

	<u>Budget</u> <u>2024-25</u>	<u>Budget</u> <u>Comments</u>
<u>Income</u>		
Association Dues	\$38,493.00	Incr from \$265 to \$273 per lot
Late Fees	\$0.00	Immaterial
Total Income	<u>\$38,493.00</u>	
<u>Expenses</u>		
Bank Service Charges		
Business License & Fees	\$0.00	Immaterial
Dues and Subscriptions	\$1,200.00	Adjusted for inflation
Insurance		
General Liability Insurance	<u>\$1,750.00</u>	Adjusted for inflation
Total Insurance	<u>\$1,750.00</u>	
Office Equipment	\$0.00	Current run rate
Office Supplies	\$200.00	Current run rate
Postage and Delivery	\$250.00	Current run rate
Printing and Reproduction	\$500.00	July Annual Meeting
Professional Fees		
Accounting Fees	\$900.00	Current run rate
Legal Fees	<u>\$15,000.00</u>	SNC collection, STR enforcement
Total Professional Fees	<u>\$15,900.00</u>	
Rent	\$100.00	July Annual Meeting
Repairs & Maintenance	\$100.00	Current run rate
Maintenance - Mowing	\$900.00	Current run rate
Maintenance - Snow Plowing	\$4,000.00	Weather dependent
Maintenance-Sea Weed Control	\$100.00	Current run rate
Repairs-Boat Launch	\$100.00	Current run rate
Repairs-Roads	<u>\$1,000.00</u>	Current run rate
Total Repairs & Maintenance	<u>\$6,200.00</u>	
Total Expenses	<u>\$26,100.00</u>	
Net Operating Income	<u>\$12,393.00</u>	
<u>Other Income (Expense)</u>		
Interest Income	\$10.00	Current run rate
Other Expense	<u>\$0.00</u>	Immaterial / non-recurring exp
Net Other Income	<u>\$10.00</u>	
Net Income (Loss)	<u><u>\$12,403.00</u></u>	

This budget was approved by the AHPOA Board of Directors on June 17, 2024.

APACHE HILLS PROPERTY OWNERS' ASSOCIATION, INC.

OFFICERS AND DIRECTORS

2023 – 2024

Officers

President	Don Enyart
Secretary	Alyssa Mellish
Treasurer	Joe Donovan

Directors Term Expiration

Joe Donovan	2025
Pete Duncan	2025
Don Enyart	2024
Alyssa Mellish	2024
Tom Roose	2025
Chad Sadosty	2024
Dan Woodhead	2024

AHPOA Board-Proposed Director Candidates July 27th, 2024

Don Enyart and his wife Audrey have owned property in Apache Hills since the early 1990's and in 2003 they built a new home on Ottawa Lane. Don graduated from Indiana University in 1976 and after retiring in 2007 he moved from Indiana to Michigan and has been a full-time resident in Apache Hills since then. He was an AHPOA Board member from 2007-2015 during which time he was President for five years and was instrumental in the repaving of our roads. He was asked to come back on the Board in the summer of 2022 and once again assumed the office of President in the fall of that year.

Alyssa Mellish and her husband Blair of 11 years are full-time residents and have lived in Apache Hills on Iroquois Road for approximately 8 years. Alyssa was raised in a small town on the east side of Michigan and attended a University in North Carolina. She is now the mother of three small children, works a part-time job and functions as the Board's Secretary which is an office she assumed earlier this year. She has served one term on the Board and would like to continue as a Director to help improve the neighborhood.

Chad Sadosty volunteered and was appointed to the Board in January of this year when a vacancy occurred. Chad was raised in Ludington, has relatives in the Pentwater area and is a U.S. Marine Veteran. He has extensive managerial skills and currently works remotely for Mayo Clinic. After living in Minnesota, he and his wife Shelli purchased a new home on Sioux Road and are full-time residents of Apache Hills. He has been an asset to the Board and would like to be elected to serve a full term.

Daniel Woodhead and his wife Joan of 36 years are 20-year full-time residents of Apache Hills. Dan has spent 40 years in the energy business and has seminary degrees and ordination certification along with an MBA and PhD. He now pastors the Pentwater Bible Church and teaches Biblical Hebrew and many courses associated with the Bible. He served on the AHPOA board in the past with Don Enyart and also worked to achieve the repaving of the roads in the subdivision. He is currently the Association's "Webmaster" and maintains our website. He says that he is dedicated to keeping this neighborhood a wholesome safe residential community where the residence owners are full- and part-time occupiers of the homes.

(To be inserted in your copy of the AHPOA Bylaws)

Article II

Membership

Section 3. Voting. Each lot is entitled to one vote, regardless of the number of owners of the lot and regardless of the form of ownership. A Member may vote in person or by proxy filed with the Secretary. A vote cast or proxy filed by a person who owns a partial interest in a lot shall be valid unless a conflicting vote is cast or a conflicting proxy is filed by another partial owner of that lot, in which case votes cast by the owners of that lot shall not be counted. Only those Members who, after having been billed, have paid in full any outstanding dues/assessments to the Corporation, are entitled to vote and will be considered “in good standing.”

Article XIV

Notice

Section 1. Form of Notice. Any notice that is to be given must be in writing, and, except as hereafter provided, shall be given by U.S. Mail, first class postage prepaid, e-mail or texting to the person’s last known residence address.

Section 2. Manner of Notice. At the option of any Member/Director/officer, notice may be given to that person by email or text. The person is responsible for advising the Secretary of his/her correct email address and/or text number. If the person’s email address or text number is changed and the person fails to so advise the Secretary, the fact that the person does not receive the notice shall not invalidate the notice or have any effect on the meeting or any business transacted at a meeting.

ARTICLE XIX

Effective Date

The effective date of these By-Laws is July 1, 2023.