

EAGLE BEND YACHT HARBOR

ANNUAL MEETING

June 15, 2024, 10:00 A.M.

Eagle Bend Yacht Harbor Clubhouse

President Whitney Todd called the meeting to order at 10:10 p.m. A quorum had been reached with 55 boat slip owners in person and 24 boat slip owners issued proxies. Dave Roberts was given one proxy from a brand-new boat slip owner and the remaining 23 proxies were given to EBYH boat slip owners.

Pledge of Allegiance was performed by all those in attendance.

Board Members Introduction: Jon Cantwell Vice President; Pam Lynch Treasurer; Lane Ross; Brian Antweil; Nat Sande and Ryan Larson. Also in attendance was Property Manager Dave Roberts.

Approval of Minutes: A motion was made by Dave Roberts and seconded by Whitney Todd to approve the minutes as presented of the June 10, 2023, Annual Meeting. The motion passed with unanimous approval

President Overview: President Whitney began by telling the members of the repairs that have taken place over the last twelve months. New sound bars have been added to the existing television sets in the clubhouse and this has greatly improved the sound. A new high-volume pump has been installed at the dam. This was an unexpected expenditure and cost \$7,500 but will last for many years. Due to the hailstorm in 2022 the bath house and The Shack needed to be repainted, which has been completed. This expenditure was paid for by EBYH insurance carrier. The launch ramp was extended by 20 feet making it accessible for the larger boats. Marina Cay is not selling cash this year and word has spread among the boat owners that EBYH is selling gas. EBYH have had a larger volume of outside boat owners coming into the harbor to buy fuel, and the Board has decided to remove the sign on the river

advertising that EBYH is selling gas to the public as the Board does not want a bottle neck of boats waiting to get gas. Gas is readily available to all EBYH owners. The new merchandise was on display for the members to purchase. A new logo has been designed and is on all the merchandise. Board member Jim Miller and his son along with Board member Lane Ross and Dave Roberts' two sons did the weed application in the Harbor. The Board thanked them for volunteering for this task.

Election of new Board Members: Ballots were handed out and instructions were given on how to vote if you had been given proxies. The ballots were then collected by EBYH members Joycelynn Nelson-Gerbory and Rebecca Hendrix. The two members then went into a separate room and counted the ballots.

Dave Roberts: Dave reported that at this time the water levels are at overflow levels and not sure how long this condition will persist as last year the lake levels were at an all-time low. The dock repairs which included new edging are completed. He also said that this year the merchandise in The Shack will be using new computer software called Shopify. This will make the purchases quicker and supply the inventory count. New hardware for quick books which is used by Danae, the accountant at Western Mountain Property, has been purchased. Dave would like the Board to consider replacing the second pump at the dam as the new pumps are superior to what EBYH currently is using. Luz is the new Harbor Master and dock hands Keegan and Chole are back for a second season.

Treasurer Report: Western Mountains Management had mailed a detailed reporting of the financials for 2023 along with the 2024 Budget. The office had asked boat slip owners to please call Danae or Dave if they had any questions regarding the report. At the time of the Annual Meeting there had not been any such calls. Dave said that if at any time you have questions, please contact the office and Danae or Dave will spend time with the member and address their questions. A Board member asked questions regarding the cost for the pump repair. Dave said the new pump cost \$7500, and the labor was \$2940 totaling \$10,440. It was not a budgeted item for 2024, as the 2024 budget is drawn up in November of 2023. A motion was made by Gary

Mahugh to approve the financials as presented. The motion was seconded, and it carried with unanimous approval.

President Whitney reported that he had received a figure of \$321,000 to replace the existing dam. He explained that the dam has a 30-year life span and there is a 6-month lead time to order and or repair the dam. There was discussion among the owners as to if they should order a new dam and not wait. They also discussed the need to have a “dam expert” come and evaluate the existing dam and give their best estimate of life expectancy. President Whitney said that if the dam fails in the summer, the floating docks would be stuck in the mud. There would also be a problem with the gas lines that are attached to the docks. Board member Brian Antweil said he thought it would be money well spent to have an expert come and give EBYH a timeline. The concrete that supports the dam was also discussed as members thought this would also need to be evaluated and decide if it would be strong enough to support a new dam.

Committee Reports:

Weed Committee Jim Miller-chairman: In 2023 a new evasive grass called star grass began growing. This was probably brought in by the geese and grows in canals but not in the lake. An expert was hired, and they gave the canal owners the correction distribution amounts. This abatement cost \$5,000 and four (4) of the canal owners paid for this and distributed it around the docks and in the canal waterway. There was discussion regarding future payment for the weed abatement in the canal. The canal is not part of EBYH and there are 24 lot owners who have docks on the canal. It is an item not covered in the CC&Rs of the HOA’s with homes on the canal. EBYH allows the canal dock owners to use their boat launch to unload their boats and this is a service that is supplied at no charge, and they also use the harbor at no charge and do not pay for any repairs to the dam. If EBYH took on the cost for the weed abatement would that be fair to the boat slip owners. The membership talked about being good neighbors but thought the HOA’s needed to contribute for the weed abatement expense. Kim Rose made a motion that a committee of 5 or 6 boat slip owners be formed who would do some research of cost and the number of dock owners that are impacted and

come up with a proposal for EBYH members to consider. Jim Miller seconded the motion. The vote was conducted by voice and motion passed with unanimous approval.

Jim Lynch: Mr. Lynch is an EBYH member who appealed the new boat slip tax that was assessed to all EBYH owners in 2023. He shared the process he went through to get the tax assessment from Flathead County erased. Mr. Lynch shared the history of the harbor and said that due to the loss of ownership of the Harbor by Mike Felt over 30 years ago the bank took over the ownership of the docks. An Assessor's number was then assigned to each of the boat slips. When the slips were sold each dock owner was given a Grant of Conveyance, or an easement and this shows up on your documents. This easement gives you the right to drive on the roadways in the Harbor Village community. All slip owners purchase a space on the water. You do not own the dock, you own the space on the water, and you do not own the ground underneath your boat slip. Mr. Lynch's value of his boat slip was assessed based on sales of boat slips in the Harbor, and if you rented out your slip that was also considered in the valuation. Because ownership is only an easement the Montana State Tax law says that easements are not taxable. Mr. Lynch said that the owner of the slip needs to protest their tax bill within 30 days of receiving the notice. They won the appeal and the volunteer Tax Board stated that Flathead County did not have the right to tax boat slip owners as it is only an easement. When an owner asks for a hearing you will present your case in front of a Board of Volunteers, and they will investigate and determine if the Assessor's made an error. At the time of the hearing, you can argue that the easement is not taxable according to Flathead County tax laws. Everyone must file a claim for their dock.

To appeal the law, boat slip owners need to protest with the State of Montana. There you meet with the voluntary committee in Helena. This will be more of an expense as owners need to drive to Helena, pay for an attorney and all your board and room expenses. If the State of Montana wins then you have the option of taking your case to the District Court, which is another expense. There are 192 boat slip owners and the members discussed if it would be a good idea to join and protest the tax bill because you only own the space on the water and not the land that is underneath the boat slip. The discussion by

the members focused on the cost of protesting this tax assessment and the odds of success. Mr. Lynch reminded the members that the State of Montana made an error in taxing the land and that allowed the Lynch's the right to file the appeal. Paul Lentz made a motion to hire attorneys and begin the paperwork. The motion was seconded, and the motion passed with unanimous approval.

New Business:

Gas Line Replacement: President Whitney said that last month the gas line was inspected, and the pumps had to be shut down due to some repairs that the inspectors said was necessary. Then two days later the inspectors came back and said there was not a problem, and the pumps could be turned back on. The Board has started making inquiries and obtaining some bids to replace the lines that are plastic. The work on this project will take place in October.

Connie Calberg asked for an update regarding the lawsuit and the liens on the docks. President Whitney said that the lawsuit has been dropped and the liens on the docks will be erased. The problem is the contractor has left town and he must instruct his attorney to release the bond. If he does not instruct his attorney to release the bond, then after two years it will be released. The contractor's attorney has not had contact with his party.

Election Results: Dave Robert announced the results of the election of directors. Those elected to serve for two years were: Whitney Todd; Nate Sande; Ryan Larson; and Jim Miller.

President Whitney adjourned the meeting at 11:40 a.m.

Bugsy Yarbrough Recording Secretary