Blue Harbor Resort Condominium Association Inc.

NOTICE OF ANNUAL MEETING

Wednesday, May 27, 2026
6:00 PM CENTRAL TIME

As you may have been informed previously, as a result of increased participation last year, the Annual Meeting of BLUE HARBOR RESORT CONDOMINIUM ASSOCIATION, INC. will take place in person along and via a Zoom virtual meeting (as Blue Harbor Resort Condominium cannot guarantee the quality of the audio/video via zoom, the association highly recommends attending in person). Attendance and voting by unit owners may be either by virtual attendance via Zoom or in person. Votes may also be cast by the holder of a proxy for one or more-unit owners. Following is the information for the Zoom meeting, a copy of which may also be sent via email for your convenience:

Topic: Blue Harbor Annual Condo Association Meeting
Date: Wednesday, May 27, 2026
Time: 6:00 PM Central Time (US and Canada)

Join Zoom Meeting:

Topic: Annual BHRCA Meeting
Time: May 27, 2026 06:00 PM Central Time (US and Canada)
Join Zoom Meeting
https://us06web.zoom.us/j/73147494621?pwd=GE4lyIfw6vQbKbbekMA6svaXG8opMr.1

Meeting chat link
https://us06web.zoom.us/launch/jc/73147494621

Meeting ID: 731 4749 4621
Passcode: 875868

One tap mobile
+13126266799,,73147494621#,,,,*875868# US (Chicago)
+16469313860,,73147494621#,,,,*875868# US

Join by SIP
• 73147494621@zoomcrc.com

Join instructions
https://us06web.zoom.us/meetings/73147494621/invitations?signature=cT3wMPaMh24E1hyR7Iq77CVfX5MrNJ4hvnQw15GPLVQ

The meeting will be hosted in person at Blue Harbor Resort, 725 BLUE HARBOR DRIVE SHEBOYGAN, WI 53081. The room assignment for the meeting will be available at the front desk. In the event that you are unable to attend virtually by Zoom meeting or prefer to attend in person, please attend at the Blue Harbor Resort meeting room. Legal Counsel and managing agents for unit owners may also attend the meeting. Each unit must have one designated person for casting any votes for that unit.

Blue Harbor Resort Condominium Association, Inc.
Agenda of Annual Meeting of Unit Owners
May 27, 2026

1. Call Meeting to Order- Marsha Forsythe
2. Roster of Unit Owner Changes and Introductions (roll call) – Melissa Bernadette
3. Approve Meeting Minutes from August 12,2025 - Marsha Forsythe
4. Report on Common Element Repairs Completed - Cory Even
5. 2026 Proposed and Planned Improvements - Cory Even / Marsha Forsythe
6. Blue Harbor Resort Management of Properties - Delaine Reichert
7. 2025 Blue Harbor Resort Condominium Financial Recap, 2025 Budget, and 2025 Actual, 2026 Budget
8. Report on Delinquencies and Open Issues – Melissa Benton
9. Status on Lawsuit Received by the Condo Association – Marsha Forsythe
10. Discussion regarding Declination Violations by Unit Owners – Marsha Forsythe
11. Other Business: Open for Questions
12. Nominations for and Election of the Board of Directors.
    All the Unit Owners present in person or by proxy will elect or re-elect five (5) Director to the Association's Board of Directors, to serve in such capacity until the next succeeding annual meeting.

    Directors are required to sign the conflict-of-interest agreement (copy enclosed). The current Directors are:

    Gerald Forsythe - President
    Larry Shanley- Vice President
    Melissa Bernadette - Secretary
    Marsha Forsythe - Treasurer
    Pamela Sintetas

    The Board has received notice of one other nomination.

    After election of Directors, the meeting will be adjourned, and the Directors will have a brief meeting to elect officers.

    The Unit Owners listed on the Membership Roster maintained by the Secretary of the Association as of the close of business on August 2, 2025, are entitled to participate at the Annual Meeting unless the Association has a lien against the Unit for an unpaid amount due the Association.

    By Order of the Board of Directors

BLUE HARBOR RESORT CONDOMINIUM ASSOCIATION, INC.
WAIVER OF NOTICE AND PROXY
(PLEASE RESPOND AS SOON AS POSSIBLE)

As you have been informed, the Annual Meeting of BLUE HARBOR RESORT CONDOMINIUM ASSOCIATION, INC. will take place in person and via a Zoom virtual meeting. You have received a Zoom meeting invitation with the meeting packet. The Bylaws require written notice of the Annual Meeting to be sent by U.S. Mail. We are requesting that you waive formal notice requirements and that you complete and return this proxy in order to assure that the necessary quorum will be represented. In the event that you desire to attend in person rather than virtually by Zoom meeting, you will be allowed to attend in person at Blue Harbor Resort, 725 BLUE HARBOR DRIVE, SHEBOYGAN, WI 53081.

The undersigned hereby waives notice of the Annual Meeting and appoints the person or party named below as proxy, or **if left blank** then Marsha Forsythe As Treasurer or Melissa Bernadette as Secretary, as proxies (each with the power to act without the other), to represent and vote the undersigned's membership interest in Blue Harbor Resort Condominium Association, Inc., at the annual meeting of the Unit Owners of the Association to be held at 6:00 PM on May 27, 2026, in the discretion of such proxy or proxies. This proxy is valid only for this meeting and is not revocable without written notice.

Dated: _____ Signed: _____

Print Name and Address: _____

_____

_____

Blue Harbor Unit Number(s): _____

Named Proxy: _____

(Marsha Forsythe as Treasurer or Melissa Bernadette as Secretary if left blank)

☐ I plan to attend the meeting virtually. If I do attend, I retain the right to vote even though I have provided this proxy.

☐ I do not plan to attend the meeting on Wednesday, May 27, 2026 at 6:00pm CST.

☐ I plan to attend the meeting in person at Blue Harbor Resort. If I do attend, I retain the right to vote even though I have provided this proxy.

Please Email : Chrystal Delaney (Marsha Forsythe's Assistant): cdelaney@indeck-power.com

Blue Harbor Resort Condominium Association, LLC

2026 Budget

	2025 Budget	2025 Actual	2026 Budget		Allocated	2026 Budget Per Unit Monthly 2-Bedroom	2026 Budget Per Unit Monthly 4-Bedroom	2026 Budget Annual Totals
				Monthly % for Sq Ft allocations		1.1250%	2.0000%	
				Monthly % - for Unit allocations		0.1302%	0.1302%	
				# of units		32	32	
Income								
Special Assessment - Balance of Chimneys	91,008	91,008						
Association Fee Income (Jan - July 2025)	318,423	531,252	266,810	January-May 2026		119,760	147,050	266,810
Association Fee Income (Aug - Dec 2025)	213,448		235,145	June - December 2026		80,260	154,885	235,145
Late Fees + Misc Income		2,474				0	0	-
Total Income	**622,879**	**624,734**	**501,955**	**Income Totals**		**200,020**	**301,935**	**501,955**
Expenses								
Common Area Utilities	12,397	8,616	9,478		Unit	12.34	12.34	9,478
Unit Utilities - Electricity	61,300	63,292	69,622		Sq Ft	65.27	116.04	69,622
Unit Utilities - Gas	26,995	25,400	27,940		Sq Ft	26.19	46.57	27,940
Unit Utilities - Water/Sewer	26,341	28,244	31,068		Sq Ft	29.13	51.78	31,068
Pest Control	5,200	175	5,200		Unit	6.77	6.77	5,200
Waste Removal	11,719	10,227	11,250		Sq Ft	10.55	18.75	11,250
Snow removal	9,073	17,310	13,871	$4,704 2023/2024 clean up Greenscape	Unit	18.06	18.06	13,871
Landscaping	30,617	27,990	51,792	$5,620 2023/2024 clean up Greenscape	Unit	67.44	67.44	51,792
Irrigation Repairs		5,212	5,733		Unit	7.46	7.46	5,733
Groundskeeper - Summer	-	1,440	5,000		Unit	6.51	6.51	5,000
Exterior Building Maintenance - other	35,000	-	20,000	Bldg repairs	Sq Ft	18.75	33.33	20,000
Insurance - Prop. & Gen Liab.	69,505	71,910	79,101		Sq Ft	74.16	131.84	79,101
Repairs & Maintenance	16,500	23,455	25,000	Gazebo mntnce and misc.	Unit	32.55	32.55	25,000
Misc. Items - (bank Fees, office supplies, etc)		2,327	2,560		Unit	3.33	3.33	2,560
Fire Alarm Inspections	11,098	9,646	10,610		Unit	13.82	13.82	10,610
Fire Alarm Monitoring	18,053	13,087	14,396		Unit	18.74	18.74	14,396
Fire Alarm Maintenance	-	2,134	-		Unit	-	-	-
Franchise Tax	35	-			Unit	-	-	-
Legal and Professional Fees	63,538	19,395	21,335	$11,450 29 day $7,360 legal	Unit	27.78	27.78	21,335
Exterior - Roof replacement	-	-	125,000	Full roof cost is approx $600,000	Sq Ft	117.19	208.33	125,000
Reserve Account	80,000	80,000	5,000		Unit	6.51	6.51	5,000
Management Fees	32,700	32,500	32,700		Unit	42.58	42.58	32,700
Dues & Subscriptions	3,300	3,280	3,300		Unit	4.30	4.30	3,300
Parking Lot Maintenance	13,500	9,500	-		Unit	-	-	-
Exterior Signage	800		7,500		Unit	9.77	9.77	7,500
New trees deposit in 2025	4,200	2,722	4,500	'25 deposit only,'26 Final bill delivery/install	Unit	5.86	5.86	4,500
Cash flow surplus from prior years	-	-	(80,000)		Unit	(104.17)	(104.17)	(80,000)
				Expense Monthly Totals - per unit		**520.89**	**786.29**	
Subtotal of Expenses	**531,871**	**457,862**	**501,955**	**Expense Annual Totals**		200,020	301,935	**501,955**
Net Cash Surplus/(Deficit)	**91,008**	**166,872**	**0**					
Capital Projects:								
Chimney repairs balance for 15 bldgs	127,500.00	203,840	-	**Assoc Fee per Unit (January - August 2025)**		538.31	705.53	
Roof Replacement - 8 of 16 roofs			295,000	**Assoc Fee per Unit (Sept - December 2025)**		748.50	919.06	
Net Assoc. Surplus / (Deficit)	**(36,492)**	**(36,968)**	**(295,000)**					
				Assoc Fee per Unit (January - May 2026)		**748.50**	**919.06**	266,810
				Assoc Fee per Unit (June - December 2026)		**358.30**	**691.45**	235,145
				Assoc Fees will stay the same until the 2027 Annual Meeting				

Conflict of Interest Policy for
Blue Harbor Resort Condominium Association. Inc.

Article I
Purpose

The purpose of the conflict of interest policy is to protect Blue Harbor Resort Condominium Association, Inc.'s (the "Organization") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II
Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

a) An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
b) A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III
Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest**

a) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b) The chairperson of the governing board or committee (or president) shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c) After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. **Violations of the Conflicts of Interest Policy**

a) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V
Compensation

a) A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

c) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

a) Has received a copy of the conflicts of interest policy,
b) Has read and understands the policy,
c) Has agreed to comply with the policy, and
d) Understands the Organization is a nonprofit and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax- exempt purposes.

Article VII
Periodic Reviews

To ensure the Organization operates in a manner consistent with nonprofit purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result m inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

CERTIFICATION

We, the undersigned, being all the directors of Blue Harbor Resort Condominium Association, Inc., hereby confirm that this policy, which was adopted on behalf of the organization through a meeting of the board of directors, continues to be in full force and effect and furthermore that we as directors of the organization agree to continue to abide by and be subject to this Policy.

BOARD OF DIRECTORS

_____ _____

_____ _____

_____

Conflict of Interest Statement

I certify that as an officer and/or director (or a nominee for a position as a director) of Blue Harbor Resort Condominium Association, Inc.:

a) I have received a copy of the conflicts of interest policy;

b) I have read and understand the policy;

c) I agree to comply with the policy;

d) I understand that Blue Harbor Resort Condominium Association, Inc. is a nonprofit and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Dated this effective this_____day of_____, 20_____.

_____

Director or Nominee for Director Position

BLUE HARBOR RESORT CONDOMINIUM ASSOCIATION, INC.
ANNUAL DECLINATION OF WATER PARK USE

As stated in the December 18, 2024 Water Park Rule which was amended July 29, 2025 for the Blue Harbor Resort Condominium (the "BHRC"), amending and restating the February 15, 2021 Water Park Rule:

1. Certain units of BHRC (the "SRO Units") have contracted for unit rental management (the "URMA") with Sheboygan Resort Operator, LLC ("SRO"), which is also the operator of the water park, and terms of the water park, including payment of the Resort Amenity Fee and guest and owner usage for the SRO Units, are governed by the URMA.
2. Certain other units of BHRC (the "Independent Units") have not contracted with SRO for rental management, but remain a part of the BHRC. Day pass purchase is required for unit owners, renters and guests of Independent Units to use SRO's water park.
3. On or before February 28 of each year, or 5 days after such later date when SRO has provided the estimated Resort Amenity Fee, a unit owner may elect to decline the use of the water park, for the unit owner and renters and guests occupying the unit. Upon submitting a signed Annual Declination of Water Park Use form, the Association will waive and not bill the charges for the Resort Amenity Fee for that unit, as long as unit owner fully complies with the rules. For any unit that does not submit a signed Annual Declination of Water Park Use form or otherwise affirmatively in writing indicates the desire for the use of the water park during the year, the following Resort Amenity Fee will be charged to the unit owner of the rate starting on September 1, 2025 which will be:

2-Bedroom Courtyard $302.50 monthly 2-Bedroom Lakeside $397.50 monthly
4-Bedroom Courtyard $407.50 monthly 4-Bedroom Lakeside $502.50 monthly

The unit Resort Amenity Fee is based upon SRO's total estimated annual Resort Amenity Fee for 2026 and is subject to year-end reconciliation.

☐ I **DECLINE** the use of the Blue Harbor Resort Water Park for owners, renters, and guests of my unit during this year. The Resort Amenity Fee will **NOT** be charged to my unit by the Condominium Association. I agree to affirmatively inform all unit occupants, renters and guests that they are **PROHIBITED** from **ANY** use of the Resort's water park and also include in any advertising, listing or publication relating to the rental of the unit (including without limitation any website listing), the following statement: "Renters and guests of this condominium unit do not have access to or use of the Blue Harbor Resort water park and will not try to purchase a Day Pass, since the unit owner obtained a waiver of the Resort Amenity Fee." I acknowledge that a $200 fine will be charged for each violation and this Declination may be revoked and the Resort Amenity Fee imposed on the second or subsequent violation, if I fail to comply and owners, occupants, renters or guests of my unit request a water park pass from the Resort.

☐ I **REQUEST** the use of the Blue Harbor Resort Water Park whenever park is open for owners, renters, and guests of my unit during this year and until the next annual meeting. The Resort Amenity Fee in the amount listed above **WILL** be charged to my unit by SRO, subject to year-end reconciliation. I understand that day passes will still have to be purchased and SRO controls passes and occupancy limits.

Dated: _____ Signed: _____

Print Name and Address: _____

_____

Blue Harbor Unit Number(s)_____

(Must be returned ASAP, but no later than May 25,2026)
Please Return To: Chrystal Delaney (Marsha Forsythe's Assistant): cdelaney@indeck-power.com

Blue Harbor Resort Condominium Association, Inc. (the "Association")

Minutes of 2025 Annual Meeting of Unit Owners (the "2025 Annual Meeting")
August 12, 2025

Blue Harbor Resort Condominium Association, Inc. (the "Association")

Minutes of 2025 Annual Meeting of Unit Owners (the "2025 Annual Meeting")

August 12, 2025

1. **Call Meeting to Order**

Marsha Forsythe ("Marsha"), Treasurer of the Board of Directors of the Association (the "Board") called the meeting to order.

2. **Roster of Unit Owner Changes and Introductions (roll call)**

Melissa Bernadette ("Melissa"), Secretary of the Board, conducted a roll call of the unit owners of the Association present for the 2025 Annual Meeting. Attorney Peter Mayer ("Attorney Mayer") went over the rules for a vote, noting that fifty percent of persons present constitute a full vote. The roll call reflected that forty-six unit owner voters were present, whether virtually, in person or by proxy, for the 2025 Annual Meeting, confirming that a quorum of unit owners were present for the 2025 Annual Meeting, and setting the majority vote at twenty-four.

3. **Approve Meeting Minutes from July 16, 2024 (the "2024 Annual Meeting")**

Marsha introduced this agenda item. Marsha asked the unit owners present if anyone had an issue with the 2024 Annual Meeting Minutes (the "2024 Annual Meeting"), otherwise the group would take a vote. There was no opposition. Nancy Kruzel ("Nancy") made a motion to approve the 2024 Annual Meeting Minutes, and an in-person unit owner seconded that motion. The motion passed via voice vote, and the minutes of the 2024 Annual Meeting were approved.

4. **Report on Common Element Repairs Completed**

Cory Even ("Cory") gave the report on the repairs to the common elements in the Blue Harbor Condominium (the "Condominium") that have been completed since the last annual meeting. He showed a PowerPoint presentation as part of his report. Cory noted that the buildings in the Condominium are reaching twenty (20) years of age, which is typically when deterioration starts to show. He mentioned that there will be a lot of upcoming replacement of siding on the units in the Condominium. Nancy asked how unit owners will know when siding for their individual units are being repaired. She mentioned that siding maintenance is somewhat invasive, given that the workers often have to go onto decks of the unit owners to complete the work. Cory said if the construction crew has to go onto a unit owner's deck, the owner will be notified beforehand.

The second slide discussed replacing the doors on the "doghouses". Cory noted that the doors need to be reinforced and are reaching the end of their natural life cycle and reminded all present that the dog houses have new heaters and thermostats installed. He also noted that the fire panels on the doghouses have been replaced. The third slide discussed chimney repairs. Cory informed the members present that repairs started on chimneys last year and will continue into the next year. The project is about halfway done.

The fourth slide discussed parking lot maintenance. Cory noted that the parking lot will be resurfaced in the fall, and each unit will have two assigned spots. Later, a unit owner present asked where handicap parking signs will be located, and how existing handicap spots will be affected by this resurfacing. Cory responded that only four units are handicap-accessible, and those units will be given a handicap-designated parking spot. Otherwise, each unit has

two non-handicapped parking spots assigned to it, but handicapped users of those units can obviously park there if needed.

The fifth slide discussed signs for the "doghouse" doors. Cory showed an example of what the sign will look like. Marsha noted for all present that immediately after Labor Day, the parking lot was going to be resurfaced and restriped so there would not be any extra parking spots available. The new signs for the "doghouse" doors clearly states that guests must park in assigned spots or any unmarked spots, and if someone parks in another unit owner's assigned spot, their car will be towed. Nancy asked if guests have more than two cars, will they be able to park elsewhere? Marsha informed all present that there will be public parking available behind the building at 802 Blue Harbor Drive.

The sixth slide discussed repairs to the trellises. Cory invited Delaine Reichert ("Delaine"), the general manager of the Resort, to discuss this topic. Delaine noted that the trellises are deteriorating and are scheduled for replacement. Three trellises have already been completed, and trellis construction is projected to finish by the end of September.

The seventh slide discussed the removal of the hawthorn trees by the lakefront. Delaine noted that the flowering dogwood tree species is being planted. This type of tree has a nearly year-round flowering cycle.

The eighth slide discussed issues with deterioration of outdoor electrical outlets along the units. Cory noted that A. Chappa Construction ("Chappa") does the outdoor work for this and the deterioration of the outdoor electrical outlets are just part of the twenty-year deterioration cycle.

The ninth slide discussed windows in the units. Cory mentioned that window frosting was mandatory last year. If a unit owner has not frosted their windows yet, the cutoff is the end of September this year (2025). Milo Weiss of Weiss Brothers Enterprise of Sheboygan will be doing the window frosting. The price is $80 per window. The process is relatively quick and takes under thirty minutes per unit. Cory said to text Milo Weiss at 920-374-0522 if owners still need to frost their windows.

5. Proposed and Planned Improvements

Delaine gave the report on the proposed and planned improvements for the Blue Harbor Resort (the "Resort"). Delaine announced that a grant from the state has been acquired, so the footbridge's construction is projected to begin in 2026 and finish in 2028. She also reported that the Resort was notified of a 5 story Mariott hotel along with the Stefanie Weill Center expansion, which is projected to open by 2027. The Resort is partnering with the Make Your Mark Campaign, a partnership with Discover Wisconsin and the Chamber of Commerce of Sheboygan. The Chamber of Commerce of Sheboygan has contributed over a million dollars into this campaign. She encouraged all present to look into this campaign.

Delaine reported that the Resort has been having a great year. She reported on renovations at the Resort, and announced that the Resort was in the beginning stages of gathering quotes to prepare two model rooms. The design of these rooms is to be a relaxed, coastal vibe. The renovations are anticipated to move through the Resort twenty to twenty-five rooms at a time, with renovations lasting for eighteen to twenty-four months. Delaine also announced that Condominium renovations were in the works, and the Board was hoping to have preliminary designs for review by Spring 2026.

Delaine reported on the new sand bar and grill at the Resort, which people can walk up to from the beach. There is also a planned and approved elevated boardwalk and pergola which goes from the Resort's grand staircase to the beachfront walkway.

Delaine also gave a report on the new Mount Sheboygan trampoline park. She stated that there have been a few "hiccups" with the City of Sheboygan, but they are planning for this new attraction to open sometime in the next year. Among other things, there will be a foam area for toddlers, a "ninja obstacle course", and gymnastics lessons.

The Resort is now home to the New Impressions Fine Art Gallery, which is a painting, sculpture, and bronze gallery.

Delaine reported that the Resort has an artist in residence, Mary Grady, who will be sporadically giving art lessons for both children and adults, and appearing in the lobby of the Resort.

The Resort will also soon be opening a 16+ age entertainment lounge—Hang Ten Entertainment Lounge—in the coming months, which will have mini golf, pool, a golf simulator, and foosball, among other things.

The Resort is also hoping to open a full-service bar overlooking the Sheboygan River by Labor Day 2025.

Delaine reported on the status of the newsletter, which has been revamped to be more "Blue Harbor centric". The Resort wants to make the newsletter accessible to the Resort community, with links to Lake Life Sheboygan and What's New at the Blue Blog. Delaine also hopes that there will be a link to the holiday guide during the holiday season in the newsletter.

Delaine noted changes to the coffee shop and the boutique in the lobby of the Resort. The original Shoreline Coffee Shop and the Boutique at South Pier have been combined to make the Shoreline Boutique and Cafe. The Shoreline Boutique and Cafe will be open from 7am to 9pm during the summertime, with a business center, a full service coffee bar, a retail space, and outdoor seating.

6. **Blue Harbor Resort Management of Properties**

Marsha reported on declinations of Resort water park passes here. She stated that the Condominium unit owner declination forms need to be turned in by September 1, 2025, otherwise unit owners will be charged the Resort amenity fee. She also noted that any unit owner who signs up for Resort water park passes may have access to day passes for the Resort water park—but if the unit owner does not sign up, there will be no access allowed to the Resort water park at any time.
Delaine stated that the utilization of the Resort water park passes has worked out very well. Guests of unit owners may be able to use day passes to the water park, the fitness center, mini golf, the Hang Ten Lounge, and any special activities happening in the resort, among other things.

There was discussion about off season waterpark usage. A unit owner asked about hours of operation in the off season (which are Fridays 4-9pm, Saturday 9am-9pm; Sunday 9am-6pm). Delaine noted that there may be a potential for weeknights community nights, maybe opening the water park after school during the offseason to continue to employ the lifeguards who are employed during the summer who are in high school. Currently, the only "community days" offered are Sundays (i.e., for those who are not staying at the resort.)

7. **North Shore Property Management of Properties**

Cory announced another successful year. He has hired his daughter who he feels has done an excellent job at handling North Shore Property ("North Shore")'s customers and bookings. He stated that North Shore has switched booking software and that rentals are considerably up this year. They have an arrangement with fishing charters in the area, giving them a discounted rate. During boat race season, they have an arrangement with Professional Supply for a discount on North Shore's properties as well. Cory reported that in the offseason North Shore Property teamed up to do promotions with the Stefanie Weill Center— guests staying in his properties get a discounted rate on tickets to events at the Stefanie Weill Center during their stay.

8. **2024 Blue Harbor Resort Condominium Financial Recap, 2024 Budget, and 2024 Actual, 2025 Budget**

Marsha noted that in addition to the fees shown on the budget, there is a special assessment that the Board will be handling in October, November, and December to handle the shortfall between what the Condominium owners are paying and the actual costs for chimneys. Nancy asked if a unit owner is on auto pay, how is this special assessment handled? Marsha responded and stated that it will be a separate invoice—the unit owners should not worry about the special assessment until they get a bill. This will show up as a separate invoice to the unit owners. While inspecting the budget, a unit owner asked is the association fee of $474 amount on top of the existing fees? Marsha answered in the affirmative.

Marsha announced that the Board is hoping to host the next Annual Meeting in April of 2026. No definite date has been chosen yet.

Aaron Gottsacker ("Aaron") reported that the Resort was on their 7th building for the chimney repairs and would be finished before the end of the season.

Marsha reported that after the chimney repair is done, they will turn to roof repair. A unit owner asked about the open bid process for the roof repair, to which Marsha responded there will be more information at the April 2026 annual meeting.

Before passing the 2026 budget, Marsha wanted to highlight a few items. There are line items existing for trellises, chimneys, the parking lot, and deposit for trees.
Nancy made the motion to introduce the 2026 budget, and an in-person unit owner seconded it. There was no opposition. The budget carried.

9. **Report on Delinquencies and Open Issues**

Marsha asked Melissa if there were any delinquencies. Melissa stated there were not.

10. **Status on Lawsuit Received by the Condo Association**

Marsha reported that the Association has spent approximately $44,500 on the lawsuit relating to enforcement for the 29-Day Restriction in the documents governing the Condominium (the "Lawsuit"). The Association has been successful in defending the Lawsuit, and they won on summary judgment. However, a party appealed and that case is now pending in the Court of Appeals.

Marsha then asked Attorney William Stuart ("Attorney Stuart") to discuss the pending lawsuit against the Association. Attorney Stuart noted that even if the Association wins the appeal, there is a possibility that the Lawsuit could be appealed again. There is also a reimbursement claim against West Bend Insurance that the Association needs to resolve.

11. **Discussion Regarding Declination Violations by Unit Owners**

Marsha noted that declination among unit owners is an ongoing issue. Marsha feels that unit owners who have opted out have not been informing their guests they cannot use the water park. She stated that unit owners who have opted out must use stronger language in their rental agreements to let their renters know they are absolutely not allowed to use the water park.

Attorney Mayer provided a brief background on the declination. In the Association Declaration itself, there is a resort amenity fee specified. In 2021, the Board of Directors added an "opt out provision" in the Declaration for the resort amenity fee. Since that year, unit owners have had the option to decline water park access for their guests. It is important for unit owners who have declined water park access to be extremely clear with their renters and guests that they may not, under any circumstances, use the water park while staying in the Condominium.

Marsha noted that Resort management feels a unit's resort declination and lack of access to the Resort amenities has not been properly communicated to the guests staying in the Condominium. Because of this issue, the Board is specifically requiring messaging in the advertising for Condominium rental. Both Attorney Mayer and Marsha suggested a flyer or noticeable signage in each unit conveying that usage of the waterpark is prohibited. She noted that if a unit owner's guest chooses to use the waterpark anyway, the Board will fine that unit owner $200 for a first violation, and after the second violation, a unit owner will be charged the full resort amenity fee, which will continually apply year-to-year.

Dan Brennan ("Dan") stated that though he has taken considerable steps in order to prevent his guests from attempting to use the waterpark, his guests ignore these warnings. Dan wanted to know if there is an opportunity for a unit owner to provide proof to prove compliance. He stated that he put the language that the Board provided

in his listing to prevent his guests from using the waterpark but is open to stronger language if the Board provides it. Dan asked if there was a way for unit owners to appeal the fine, to prove that they were strongly discouraging their guests from using the water park. Marsha responded that there may be an opportunity for a unit owner to appeal, but ultimately, unit owners are responsible and should be charging their guests who violate the agreement.

Tom Atkins ("Tom") asked who managed the waterpark, and after Marsha responded that the Resort managed the waterpark, Tom stated that it is his position that he should not police his renters, but policing responsibility should fall on the responsibility of the Resort. Attorney Mayer noted instances of guests not only attempting to enter the waterpark when they did not have permission to do so, but also harassing staff and causing incidences where police needed to be present to defuse the situation. Attorney Mayer also noted that it is not the resort staff's responsibility to monitor individual Condominium guests' behavior.

John Palatine ("John") asked if there was a way for the Board to provide a standard document with language that all unit owners can use to notify their guests of their declination. Attorney Mayer responded and stated that all unit owners have already received the document for declination which contains language they may use.

Frank Kotsonis ("Frank") asked if guests of unit owners who have declined the waterpark access attempting to enter the waterpark is widespread. Marsha said yes, this practice is widespread. She stated that some guests do not say what unit they are staying in when they are declined access, but others are. Marsha stated that she has looked at everyone's listing information and believes that the language for units who have declined waterpark access is not strong enough to inform renters of such barriers. She also mentioned that the people who are typically denying access are the Resort's high school aged employees, who are very uncomfortable being in that position.

Delaine stated that the Resort and the Association are in the hospitality business, and they are not providing a good environment for guests when dealing with the renters who are attempting to access the waterpark without permission. She also suggested putting signs to notify unit owners' guests they are not allowed in the water park in each individual unit, in plain sight.

John once again stated that he would like some sort of form or standard language to notify his guests of his choice of declination. He suggests if all unit owners are using the same form to notify a guest they cannot access the waterpark, and the guests choose to ignore this, a unit owner should not be personally penalized. Marsha stated that the Association provided the minimum language to notify guests of such declination, but it is up to each unit owner to decide how much stronger to make the language.

Frank suggested that the Board consider requiring all units in the Association to pay an amenity fee to get rid of this issue. Marsha stated that the Board is trying to alleviate fees if unit owners feel they don't need to have access to the waterpark, but this may need to occur in the future. Attorney Mayer chimed in and stated that they haven't done so because some people are respecting the rules.

12. Other Business: Open for Questions

Attorney Mayer introduced this topic and opened the floor to individual unit owners.

Dan spoke about maintenance in the condo areas. He noted that though he makes sure to inspect the individual appliances in all his units when guests leave, he has noticed overgrowth over the external air conditioning units and doesn't believe the Board has taken any action in the past three years to address this. Marsha responded and stated that Cory would put this on his "to-do list".

Dan also stated that it has come to his attention that the Resort is planning to get new air conditioning/HVAC units and suggests doing a bidding and cost saving process.

Dan moved on to talk about his rental company's performance in the previous year. He manages eight units in the Condominium. Marsha let Dan know that in the future, if he wanted he could add his management updates to the agenda for annual meetings. Dan stated that a lot of his Condominium units are fully updated, and he is happy to give tours if any other unit owners are interested in updating their individual units. He also noted that he considers

himself an expert in revenue management and would be willing to assist others if they would like help in that area.

A different unit owner brought up HVAC units. They asked if the Board would discuss the Units' HVAC units, given the ages of the HVAC units. Marsha answered and said that replacing HVAC units are on each unit owner. Attorney Mayer clarified this point even more and stated that HVAC units are considered a part of an individual unit and are not the property of the Resort. Marsha noted that the Board discussed HVAC units last year with regard to the units that the Board owns and that the Board replaced all of the HVAC systems in the units that the Board owns.

Nancy brought up the topic of doors and locks and asked about the details of that overhaul. Marsha said that the Resort has hired S&H, a local company, to replace the doors and the locks on the doors. S&H has replaced doors and locks for four units already, and all Resort-owned units are projected to be completed by September. Marsha noted that S&H has heard from ten units and are waiting to hear from the rest. If units are not in compliance with the Condominium requirements for doors and locks by the end of September 2025, they will be fined. Marsha noted that it takes about eight months for the door itself to arrive. Therefore, if a unit owner has ordered their door but it has not arrived by the end of September, they will be in compliance. S&H will be handling all door and lock remodeling.

Another unit owner asked if their door must be changed out or if they just have to meet certain requirements. Marsha responded and stated that they must meet aesthetic standards which have been set by the Board. The Board will approve older doors if a unit owner does not want to buy a new door (but if a door does not meet the standard the unit owner will have to buy a new door.)

Nancy requested that a "save the date" be sent out for next year's annual meeting. Marsha notified all present that the targeted date for next year's annual meeting is April 2026, but no date is set yet.

Marsha discussed an ongoing issue where unit owners are managing their units from afar, often from different states. She mentioned an issue where a fire alarm was going off in a unit but was not taken care of for nearly twenty-four hours due to the unit owner being out-of-state. She also added that anything inside a unit owner's unit is theirs to deal with, while anything external to a unit is the Resort's responsibility—therefore, an alarm going off in a unit is not the Resort's to fix. Attorney Mayer inquired with the City of Sheboygan and looked at city ordinances, and though there are no restrictions against out-of-state management, he advises unit owners not to manage units from afar, as they potentially risk fines for disturbing other units. Attorney Mayer states that there are good management companies who would be happy to manage out-of-state owners' units. Dan noted that he sat in on the last City of Sheboygan Common Council meeting, and the Common Council is looking to add in anti-distance management. Another unit owner mentioned that many municipalities have a thirty-five-mile radius management requirement.

13. Nominations for and Election of the Board of Directors

Attorney Mayer stated that all unit owners present will elect or re-elect five directors to the Association Board of Directors to hold their positions until the next annual meeting. Attorney Mayer also noted that before the 2025 Annual Meeting the Association did not receive any nomination for new Directors of the Board, and that each current member of the Board (i.e., Gerald Forsythe, Marsha Forsythe, Melissa Bernadette, Larry Shanley, and Pamela Sintetas) had agreed to serve another term as members of the Board and were reapplying to maintain their respective positions as Directors on the Board.

Attorney Mayer asked all present for any additional nominations for Directors of the Board. Joe Bonelli ("Joe") stated he would like to nominate himself to be on the board. Before voting began, several unit owners expressed confusion on Board of Director positions versus Officer positions. Attorney Mayer explained that the general membership elects the Board of Directors and then the Board of Directors internally elects Officer positions (i.e., positions for President, Treasurer).

The Board had the votes to elect the five sitting Board of Directors. Joe was not elected. Marsha informed Joe that he is welcome help in a volunteer capacity with the Board of Directors.

Accordingly, Gerald Forsythe, Marsha Forsythe, Melissa Bernadette, Larry Shanley, and Pamela Sintetas were appointed to the Board for Association year 2025-2026. Subject to change at the next Board meeting, at the conclusion of the 2025 Annual Meeting, Gerald Forsythe is the President of the Board, Larry Shanley is the Vice President of the Board, Marsha Forsythe is the Treasurer of the Board, and Melissa Bernadette is the Secretary of the Board.

14. Adjournment

Nancy then made a motion to adjourn the 2025 Annual Meeting, the motion was seconded, by Dan, all votes were in favor, there was no opposition, the motion passed, and Marsha adjourned the 2025 Annual Meeting.