



REGULAR BOARD MEETING AGENDA

July 20, 2026

6:30 pm at Southside Township Hall, 8209 County Rd 3 NW, Annandale, MN 55302

Board of Directors (BOD)

OFFICERS

President Joleen Sytsma
Vice President Chuck Wachter
Treasurer Stephen Searles
Secretary Michelle Sutton

SECTION REPRESENTATIVES

Section 1 Dennis Sjoberg
Section 2 Dan Gronseth
Section 3 John Volden
Section 4 John Greenwood
Section 5 Becky Wachter
Section 6 Perry Hurth

REGULAR BUSINESS

1. Call To Order & Pledge of Allegiance
2. Attendance/Roll Call
3. Introduction/Welcome New Board Members – Sytsma
 - Treasurer: Stephen Searles
 - Section 2: Dan Gronseth
 - Section 3: John Volden
 - Section 6: Perry Hurth
4. Approval of Agenda – July 20, 2026
5. Approval of Previous Minutes - June 08, 2026 (attached pg 3-9)
6. Reports
 - a. Treasurer Financial Report as of June 30, 2026 – Searles/Sytsma
 - I. CD Renewal – The CD that Matured on July 2, 2026 was approved for renewal at the last meeting but has not yet been renewed
 - II. Annual review of LJA Financial records performed and approved by C Wachter and B Wachter.
 - b. Section Representatives - New Property Owners/Property Developments
 - c. LID Liaison Report: June 18th & July 16th meetings – Kosloski
 - d. Committees:
 - I. Lake Health & Safety (attached pg 10) - Kosloski
 1. Lake Quality
 2. Water Level Monitoring:
<https://www.dnr.state.mn.us/lakefind/showlevel.html?downum=86028800>
 - II. Lake Stewardship Program - Greenwood/Kosloski
 - III. Culverts – Greenwood
 - IV. Event Planning
 - V. Migrating Bogs

ONGOING BUSINESS

7. Board of Directors Insurance renewal (attached pg 11-18) – Sytsma
8. Items from Past Agendas:
 - a. Electronic copy of section lists to section representatives – C. Wachter
 - b. Email addresses added to LJA website for Section Reps – Sytsma

9. Organization Updates

- a. MN Coalition of Lake Associations (MN COLA) <https://mncola.org/events/list/> - Sytsma
- b. Wright County Coalition of Lake Associations (WC COLA): <https://wrightcola.mnlakesandrivers.org> - Kosloski
- c. MN Lakes and Rivers Association (MLR) <https://mnlakesandrivers.org> – Sytsma
 - i. Safe Wake Map permit has been approved, working with the vendor to produce the sign, and the map will be posted at the landing once completed. (attached pg 19-22)
- d. MN DNR – Sytsma
 - i. Minnesota DNR fisheries fish survey was done in July on Lake John

10. Community Updates - Sytsma

- a. Lake John Community
- b. City Water/Sewer
- c. New Developments & Solar Fields
 - i. Southside Township Update
 - Solar Farm Variance update - Marilyn Hallstrom: xxxx Nevens Ave NW request Variance
 - Lot Line Adjustment/Land Usage & Zoning - Steven Jamison: xxxx 80th Street NW request Lot Line Adjustment
- d. Wright County
 - i. Notice of Public Hearing

NEW BUSINESS

11. Board Member Annual Review and New Member Onboarding

- a. LJA Constitution and Bylaws (attached pg 23-28)
- b. Conflict of Interest Policy (attached pg 29-30)

12. Lake Central Bank change in Authorized Signers and online access to Stephen Searles Treasurer and Joleen Sytsma President.

13. Review of Bylaws to allow electronic voting

14. Annual Meeting Review (lessons learned) – Sytsma

- a. Electronic Nomination and Voting – C Wachter
- b. Committee signups
- c. Misc

15. Reminder there is NO LJA meeting in August

OPEN FORUM Lake John Association Members

16. Adjournment

LJA Meetings		LID Meetings	
<u>2026</u> September 14 - BOD	<u>2027</u> May 10 - BOD June 14 - BOD June 26- Annual Membership July 12 - BOD September 13 - BOD	<u>2026</u> August 20 - BOD September 24 - BOD	<u>2027</u> May 20 - BOD June 17 - BOD June 26 - Annual Meeting July 15 - BOD August 19 - BOD September 16 - BOD
BOD Meetings: 6:30 p.m. @ Southside Township Hall Annual Meeting: 9:00 a.m. @ South Haven City Hall (following LID meeting)			



REGULAR BOARD MEETING MINUTES

June 08, 2026

DRAFT to be Approved July 20, 2026

6:30 pm at Southside Township Hall, 8209 County Rd 3 NW, Annandale, MN 55302

Board of Directors (BOD)

OFFICERS

President Joleen Sytsma
Vice President Chuck Wachter
Treasurer Jon Bigalk
Secretary Michelle Sutton

SECTION REPRESENTATIVES

Section 1 Dennis Sjoberg
Section 2 Neysa Silver
Section 3 Mark Fournier
Section 4 John Greenwood
Section 5 Becky Wachter
Section 6 Kim Larson

REGULAR BUSINESS

1. Call To Order & Pledge of Allegiance
Sytsma called the meeting to order at 6:30 p.m. Those in attendance were invited to recite the Pledge of Allegiance.
2. Attendance/Roll Call
BOD Present: Sytsma, C. Wachter, Bigalk, Sutton, Greenwood, Sjoberg, B. Wachter, Silver
BOD Absent: Larson, Section 3 vacancy
Members Present: Kelly Kosloski, Dan & Melissa Gronseth
3. Approval of Agenda - June 08, 2026
Additions to the agenda included CD renewal and the Notice of Wright County Public Hearing.
Motion: by C. Wachter to approve the agenda as presented. **Seconded** by Silver and **passed unanimously**.
4. Approval of Previous Minutes - May 11, 2026 (attached to June 8th 2026 agenda packet)
After discussion, two corrections were proposed and accepted.
 - Item 5d - Water Level: The DNR link for water level should be moved from I to I2.
 - Item 9c - Solar Field: Corrected spelling of name and clarification on statement: According to Kosloski, the approval prevents annexation by the city as the solar field agreement with the property owners is for the next 25 years. Vegetation plans and construction hour limitations are in place per Koslowski. (attached on agenda packet pp 23-34)**Motion:** by Sjoberg to approve the minutes as corrected. **Seconded** by C. Wachter and **passed unanimously**.
5. Reports
 - a. Financial as of May 31, 2026 – Bigalk Report (attached pp 5-6).
 - Bigalk provided an update on the LJA's current financials.
 - Total cash balance as of May 31, 2026 was \$150,662.66.
 - Explanation of AIS/Critical Needs restricted Funds.
 - A total of 84 memberships have been received thus far for 2026.
 - Bigalk noted a CD maturing on July 2nd, 2026, with an interest rate of 3.4%.
 - Discussion included other investment vehicles.
 - Sytsma recommended renewing the CD and adding the June 30th AIS amount to the renewal for critical needs.

Motion by Sjoberg to renew the CD for one year with Lake Central Bank. **Seconded** by Bigalk and **passed unanimously**.

b. Section Representatives - New Property Owners/Property Developments

The following Section representatives provided brief updates:

- o Section 2 – one new property owner
- o Section 3 – one property with an offer
- o Section 4 - one sold, one selling
- o Section 5 - one sold

c. LID Liaison Report: May 21st meeting – Kosloski

- I. Sytsma reported on the LID funding question: after checking with Steve B LID borrowed money to get started and has since been paid back.
- II. Kosloski provided updates on recent LID activities, including May 21 mailings. There are 167 LID properties with an annual assessment of \$179.64. Next meeting is June 18th. Also reported on the Data Center moratorium.

d. Committees

I. Lake Health & Safety - Kosloski

1. Lake Quality

May sampling results have not yet been reported. Updates will be provided at the Annual meeting.

2. Water Level Monitoring:

DNR link:

<https://www.dnr.state.mn.us/lakefind/showlevel.html?downum=86028800>

- Hoping the Soil & Water conservation report will be available for the Annual Meeting.
- Four readings were taken last year.
- One reading so far for May (May 17th).
- Levels are 7.08% above the 4 year comparison, no trend identified.
- Still trending near the 5 and 10 year averages.

II. Lake Stewardship Program - Greenwood/Kosloski

Greenwood and Kosloski discussed:

1. Possible Lake John Stewards Tour in August, coordinated with Events Planning Committee.
 - Events committee has no volunteers, Lake Stewardship committee may proceed with planning.
2. Ordering the Shoreland Guide to Lake Stewardship at 30% off (\$8.40 each) to distribute at the Annual Meeting, to new residents and residents who request a copy that did not attend. Recommendation to order 100 copies. Profits support MLR Lake Stewardship programs.

Motion: by B. Wachter to approve purchase. **Seconded** by Sjoberg and **passed unanimously**.

III. Culverts – Greenwood

Greenwood reported that the culverts near 67 street by launch, 68th street near Lake Sylvia, and the two culverts on County Road 3 are all flowing properly, even after the recent 2.5" rainfall.

IV. Event Planning – No current volunteers

1. Annual Meeting – Saturday June 27th

a. Volunteers needed for setup, food, drinks, and cleanup.

- C & B Wachter volunteered to manage coffee, water and supplies.
- Sutton volunteered to manage donuts.
- Silver & Sutton volunteered for setup.
- Cleanup will be handled by the Board and any members willing to stay afterward.

2. LJA Golf Tournament – August 22, 2026 date was secured

3. Lake John Stewards Tour – August (TBD)

ONGOING BUSINESS

6. Migrating Bogs

It was reported that a medium size bog is loose and moving between properties. Members moving a bog, must notify the Board by emailing the Association (info@lakejohnassociation.com) and must have the permit available with them in their boat. The Lake John Association permit is valid through October 31, 2026. Individuals may also obtain their own permits. The bog was last reported in the bay and is not currently considered a safety issue.

7. Organization Updates – Sytsma noted that LJA is a dues paying member of several lake related organizations and encouraged members to attend events to stay informed.

- a. MN Coalition of Lake Associations (MN COLA) <https://mncola.org/events/list/> - Sytsma
 - i. 06/06/26 - 10th Annual Aquatic Invasive Species (AIS) Roundtable in Crosslake
 - ii. 06/16/26 - MN COLA Annual Membership meeting
 - iii. 06/23/26 - 2026 Legislative Update Webinar with MLR Advocates
 - iv. 07/08/26 - Genomic Surveillance of Zebra Mussel Populations Using Genotyping by Sequencing
- b. Wright County Coalition of Lake Associations (WC COLA): <https://wrightcola.mnlakesandrivers.org> - Kosloski
 - i. 2026 WCCOLA Annual Meeting presentations are available on the website.
- c. MN Lakes and Rivers Association (MLR) <https://mnlakesandrivers.org> – Sytsma
 - i. 06/23/26 - 2026 Legislative Update Webinar with MLR Advocates
Sytsma will attempt to gather updates to share at the Annual Meeting.
- d. MN DNR – Sytsma
 - i. 2026 MN Boating Guide
<https://files.dnr.state.mn.us/rfp/regulations/boatwater/boatingguide.pdf>
 - ii. Boater Education Requirements - <https://www.dnr.state.mn.us/safety/boatwater/boater-education-law.html>

8. Items from Past Agendas:

- a. Electronic copy of section lists to section representatives – C Wachter
Sytsma reported that following the transition to QuickBooks Online (QBO), she will pull the updated section information and send it to C Wachter. Wachter will verify emails and cell phone contact details and then distribute the updated lists to the Section Representatives.
 - C Wachter noted that approximately 23 email addresses missing or have bounced.
- b. Email addresses added to LJA website for Section Reps.
Fournier has resigned, Sytsma will follow up with Dana regarding website updates.

9. Community Updates - Sytsma

- a. City Water/Sewer
No new updates to report
- b. New Developments
No new updates to report
- c. Wright County interim zoning ordinance and temporary moratorium – C. Wachter
The Board supported Wright County interim zoning and temporary moratorium, which passed unanimously. The County will study parameters related to this nationwide concern, including power and water usage and chemical impacts. The LJA letter of support is attached to the meeting minutes. (attached pp 7)

NEW BUSINESS

10. Board of Directors Insurance renewal – Bigalk

- The 2026-2027 Directors & Officers insurance policy is due.

Motion by Sjoberg to approve purchasing the insurance. **Seconded** by C. Wachter and **passed unanimously**.

11. Annual Meeting Planning – Sytsma

a. Electronic Nomination and Voting process – C Wachter

i. 2026 Nominations for President, Treasurer, Section Representatives (Sections 2, 4, & 6)

- Section representatives received questions from members regarding the technology used for electronic voting.
- C Wachter shared the nominations submitted.
- Section 3 remains open – Sytsma noted that a Section 3 election will be added for a 1 year term to fill the vacancy created by Mark Fournier's resignation since we are so close to Annual meeting elections.

ii. Voting update

- Board members will be available to assist members during the voting process.
- Discussion included the timeframe for voting, options for members without electronic access (paper ballots) and absentee ballots.
- The Board agreed to keep surveys separate from voting for simplicity.

b. Agenda TBD – Sytsma

- Guest Speaker - Joseph Schneider, President of MN Coalition of Lake Associations.
- Bigalk will be absent, Sytsma will present in his place.
- Kosloski will be absent, Sytsma will present in her place.
- Member feedback indicated that new residents may not understand the difference between LID & LJA.
- Ask the Candidates/Get to Know the Candidates – An email will be sent to members inviting submission of questions for candidates to learn more about individuals running for Board positions.

OPEN FORUM Lake John Association Members

- Moratorium workshop: Seeking Wright County volunteers, along with participation from utility and city groups.
- Survey: Kelly will send some examples, C Wachter will draft a version for Board to review.

12. Adjournment at 8:05

LJA Meetings	LID Meetings
<u>2026</u> June 27 - Annual Meeting July 13 - BOD September 14 - BOD	<u>2026</u> June 18 - BOD June 27 - Annual Meeting July 16 - BOD August 20 - BOD September 24 - BOD
BOD Meetings: 6:30 p.m. @ Southside Township Hall Annual Meeting: 9:00 a.m. @ South Haven City Hall (following LID meeting)	

Lake John Association Inc

Statement of Financial Position

As of May 31, 2026

	TOTAL
Assets	
Current Assets	
Bank Accounts	
AIS/Critical Needs Restricted Funds	68,183.77
Capital One 360	8,649.87
Lake Central Bank CD #1 Due 07/02/26	\$33,881.41
AIS/Critical Needs Restricted Funds	-33,881.41
Total for Lake Central Bank CD #1 Due 07/02/26	\$0.00
Lake Central Bank CD #2 Due 01/07/27	62,527.03
Lake Central Bank - Checking	\$54,254.22
AIS/Critical Needs Restricted Funds	-34,302.36
Total for Lake Central Bank - Checking	\$19,951.86
Total for Bank Accounts	\$159,312.53
Other Current Assets	
Undeposited Funds	0.00
Total for Other Current Assets	\$0.00
Total for Current Assets	\$159,312.53
Total for Assets	\$159,312.53
Liabilities and Equity	
Liabilities	
Total for Liabilities	
Equity	
Retained Earnings	147,245.26
Net Revenue	12,067.27
Total for Equity	\$159,312.53
Total for Liabilities and Equity	\$159,312.53

Lake John Association Inc

Statement of Activity

January 1-May 31, 2026

	TOTAL
Revenue	
Critical Needs/Invasive Species Fund Donation	6,425.00
General Fund Revenue	
Association Dues	2,610.00
General Fund Donations	2,240.00
Total for General Fund Revenue	\$4,850.00
Total for Revenue	\$11,275.00
Gross Profit	\$11,275.00
Expenditures	
Memberships	235.00
Newsletter and Other Mailings Expenses	713.80
Office Expenses	133.00
Website Expenses	120.00
Total for Expenditures	\$1,201.80
Net Operating Revenue	\$10,073.20
Other Revenue	
Interest Income	1,994.07
Total for Other Revenue	\$1,994.07
Net Other Revenue	\$1,994.07
Net Revenue	\$12,067.27

May 15, 2026



Wright County Planning and Zoning
3650 Braddock Avenue, Suite 1600
Buffalo, MN 55313

Dear Wright County Board of Commissioners:

Subject: Support for an Emergency Moratorium on Data Center Development

The Lake John Association, representing residents and property owners in Southside Township and the City of Annandale, submits this comment in **strong support of an emergency moratorium—of no less than 12 months—on the approval, permitting, and construction of data centers in Wright County.** This pause is essential to allow Wright County Planning & Zoning to conduct a full, transparent, and science-based review of the environmental, groundwater, infrastructure, and land-use impacts of data centers before any irreversible decisions are made, especially the effects on our lakes and rivers.

Wright County is a water-rich region with **151 lakes and 53 square miles of water**, and our communities rely on these resources for recreation, property values, tourism, and local economic stability. Many lakes in the county already face nutrient impairments, algae blooms, and clarity declines. Even lakes showing improvement—such as Pulaski, Green, and the Sylvias—remain vulnerable. Lake John, while not currently impaired, has shown **declining water-quality metrics over the past five years**, underscoring how fragile our watershed truly is.

Introducing hyperscale data centers—industrial facilities that consume **1 to 5 million gallons of water per day**, with **up to 85% lost permanently to evaporation**—poses a direct and unacceptable threat to groundwater sustainability and lake health. This is not theoretical. It is a documented, predictable impact of evaporative cooling systems. Once groundwater is depleted or diverted, it cannot be restored on human timescales.

Lake associations across Wright County, including Lake John Association, are already stretched thin managing **aquatic invasive species, shoreline erosion, nutrient loading, wake-related damage, and rising recreational pressure.** As noted in our organizational history, "Lake John Association, established in the 1970s, has always been run by volunteers... and struggles with limited funding for long-term projects." Adding high-volume industrial water users to this already strained system is not responsible governance—it is an avoidable risk with long-term consequences for residents, ecosystems, and the county's economic future. Furthermore, the 2025 Minnesota Legislature left significant regulatory gaps unresolved. Counties like Wright County are being asked to make decisions **without finalized state guidance**, without clarity on groundwater protections, and without the tools needed to evaluate cumulative impacts. Proceeding without a moratorium would expose the county to environmental harm, legal uncertainty, and costly infrastructure burdens.

A temporary moratorium is not an obstruction. It is a **necessary safeguard**—a reasonable, measured action to ensure that Wright County does not sacrifice its lakes, groundwater, and community well-being to industrial development that may not align with our long-term interests.

For these reasons, the Lake John Association **strongly urges** the Wright County Board of Commissioners to adopt an emergency moratorium on new data center approvals. The stakes for our lakes, our groundwater, and our communities are too high to proceed without comprehensive study and public oversight.

Thank you for your attention and for your commitment to protecting the natural resources that define Wright County.

Submitted respectfully,

Joleen Sytsma, Lake John Association President
PO Box 437
Annandale, MN 55302

Lake John Association Water Report July 20, 2026 Board Meeting

Lake ID: **86-0288-00** Surface Area: **397 acres** Max Depth: **28 feet** Average Depth: **13 ft** Watershed Area: **3,973 acres** Ordinary High Water Level (OHWL): **1,054 ft**
 Impairments: **Aquatic consumption** AIS: **Curly-leaf pondweed, Common carp, Eurasian watermilfoil, Zebra mussel**
 Highest Water Levels: **August 2024, July 2019, August 2023** Lowest Water Levels: **October 1998, September 1988, April 1988**
 Water Quality Data (Since 2003): <https://lakes.mnbe.com/> Water Level Data (Since 1974): <https://www.dnr.state.mn.us/lakefind/showlevel.html?downum=86028800>

CLASSIFICATION

JUNE 2026

MESOTROPHIC (TSI 43)

Physical Condition: **Low Algae**

Recreation Suitability: **Good**

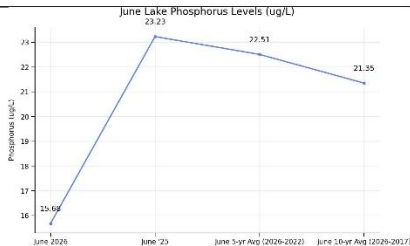
TSI	ATTRIBUTES	FISHERIES & RECREATION
< 30	OLIGOTROPHIC: Clear water, oxygen throughout the year at the bottom of the lake, very deep cold water.	Trout fisheries dominate.
30 - 40	Bottom of shallower lakes may become anoxic (no oxygen).	Trout fisheries in deep lakes only. Walleye, Tullibee present.
40 - 50	MESOTROPHIC: Water moderately clear most of the summer. May be "greener" in late summer.	No oxygen at the bottom of the lake results in loss of trout. Walleye may predominate.
50 - 60	EUTROPHIC: Algae and aquatic plant problems possible. "Green" water most of the year.	Warm-water fisheries only. Bass may dominate.
60 - 70	Blue-green algae dominate, algal scums and aquatic plant problems.	Dense algae and aquatic plants. Low water clarity may discourage swimming and boating.
70 - 80	HYPEREUTROPHIC: Dense algae and aquatic plants.	Water is not suitable for recreation.

TOTAL PHOSPHOROUS

June 2026 15.68 ug/L June '25 23.23 ug/L
 June 5-yr Average (2026-2022) 22.51 ug/L
 June 10-yr Average (2026-2017) 21.35 ug/L

June 2026 is noticeably lower than last year and both the 5-year and 10-year averages. This suggests improved water quality for June 2026. Lower phosphorus means less potential for algae growth, better water clarity, and overall more favorable lake conditions.

Phosphorus is needed by plants and animals to survive, but can cause algae blooms if there is too much phosphorus available. Most common sources of high phosphorus on Lake John are soil erosion, fertilizer, and human/animal waste.

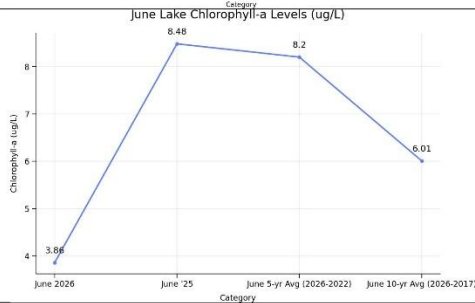


CHLOROPHYLL-A

June 2026 3.86 ug/L June '25 8.48 ug/L
 June 5-yr Average (2026-2022) 8.20 ug/L
 June 10-yr Average (2026-2017) 6.01 ug/L

June 2026 is much lower than last year & both the 5-year & 10-year averages. This suggests exceptionally low algae levels this June. Lower chlorophyll-a typically means clearer water, fewer algae blooms, & generally better recreational & aesthetic conditions. When both chlorophyll-a & phosphorus drop together (as your data shows), it's a strong sign the lake experienced good environmental conditions, such as reduced nutrient runoff, favorable weather, or effective watershed management.

Chlorophyll-a is a measurement of the amount of algae in a lake. Some algae can produce dangerous toxins. High algal concentrations threaten aquatic life & can impede recreation & enjoyment of the lake.

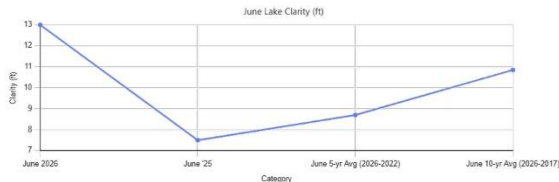


CLARITY

June 2026 13 ft June '25 7.5 ft
 June 5-yr Average (2026-2022) 8.7 ft
 June 10-yr Average (2026-2017) 10.85 ft

June 2026 clarity (13 ft) is exceptionally good — much clearer than last year and higher than both the 5- and 10-year averages. Compared to long-term patterns, 2026 stands out as one of the clearest Junes in recent history (June 2020 was last 13.50 ft reading). This aligns with the phosphorus and chlorophyll-a results, which also showed improvements. When all three indicators improve together, it's a strong signal of a healthier lake with better overall water quality.

Clarity is affected by the amount of algae and sediment in the water column. Low clarity means sunlight does not reach deeper portions of the lake to support plant and animal life.

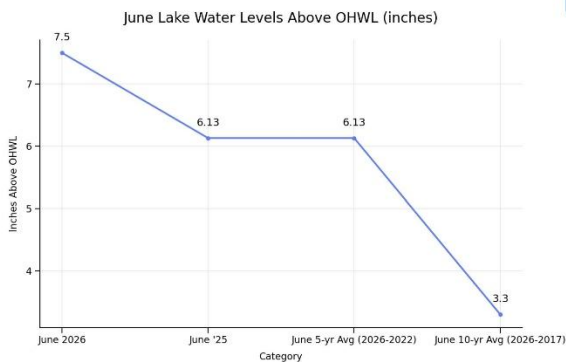


WATER LEVEL

June 2026 7.50 inches Above OHLW June '25 6.13 inches Above OHLW
 June 5-yr Average (2026-2022) 6.13 inches Above OHLW
 June 10-yr Average (2026-2017) 3.30 inches Above OHLW

June 2026 lake levels are slightly higher than normal, but still well within a typical seasonal range. The 2026 level (7.5 inches) is only about an inch above last year and the 5-year average, suggesting moderately high water but not unusual. Compared to the 10-year average (3.3 inches), 2026 is higher than long-term trends, showing recent years have generally been wetter. Water at this level usually does not indicate flooding conditions, but it can mean: Minor shoreline saturation. Some reduced beach area. Slight increases in erosion potential during storms. Overall, the lake is trending on the higher side of normal, but 2026's level does not represent a significant departure—just a modestly elevated early-summer water level.

Water level monitoring is vital for several reasons: Flood Prevention-Historical data helps zoning officials map floodplains and establish low floor elevations for new construction. Ecosystem Protection-Monitoring prevents severe drawdowns and supports the management of aquatic vegetation and fish habitats Groundwater Sustainability-The DNR tracks static groundwater levels (bwellis) to monitor aquifer health and prevent over-pumping during droughts.



Prepared by Lake John Association Member Kelly Kosloski

NDO1600871

Renewal of Number

*** RENEWAL CERTIFICATE ***

Direct Bill Policy

POLICY DECLARATIONS

United States Liability Insurance Company

1190 Devon Park Drive, Wayne, Pennsylvania 19087

No. NDO1600871A

A Member Company of United States Liability Insurance Group

NAMED INSURED AND ADDRESS:

LAKE JOHN ASSOCIATION

PO BOX 437

ANNANDALE, MN 55302

POLICY PERIOD: (MO. DAY YR.) From: 06/10/2026 To: 06/10/2027

12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS SHOWN ABOVE

BUSINESS DESCRIPTION: Non-Profit Management Liability

IN CONSIDERATION OF THE RENEWAL PREMIUM STATED BELOW, EXPIRING POLICY NUMBER NDO1600871 IS RENEWED
FOR THE POLICY PERIOD STATED ABOVE. PLEASE ATTACH THIS RENEWAL CERTIFICATE TO YOUR EXPIRING POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.

	PREMIUM
Non Profit Management Liability Coverage Parts	\$880.00

TOTAL:	\$880.00
---------------	-----------------

Coverage Form(s) and Endorsement(s) made a part of this policy at time of issue

See Endorsement EOD (1/95)

Agent: **CHRISTENSEN GROUP, INC. (4574)**
9855 West 78th Street, Suite 100
Eden Prairie, MN 55344

Issued: **06/10/2026 12:46 PM**

By:


Authorized Representative

UPC (08-07)

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS,
COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART
THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Page 1 of 1

EXTENSION OF DECLARATIONS

Policy No. NDO1600871A

Effective Date: **06/10/2026**

12:01 AM STANDARD TIME AT YOUR MAILING ADDRESS

FORMS AND ENDORSEMENTS

The following forms apply to the Management Liability coverage part

<i>Endt#</i>	<i>Revised</i>	<i>Description of Endorsements</i>
DO MN	05/17	Minnesota State Amendatory Endorsement
DO-100	05/17	Directors and Officers Coverage Part
DO-207	05/17	Failure to Maintain Insurance Exclusion
DO-209	05/17	Absolute Professional Liability Exclusion
DO-239	05/17	Specified Person or Entity Exclusion
DO-283	05/17	Data and Security Plus Endorsement
DO-314	03/21	Biometric Information Exclusion
* DO-316	12/25	Pollutants, Communicable Disease, Infectious Agent, Mold, Silica, Perfluoroalkyl and Polyfluoroalkyl Substances (Pfas), Asbestos and Lead Exclusion
DO-GTC	05/17	General Terms and Conditions
Jacket	07/19	Policy Jacket

Endorsements marked with an asterisk (*) have been added to this policy or have a new edition date and are attached with this certificate.

EOD (01/95)

All other terms and conditions remain unchanged.

Page 1 of 1

NON PROFIT MANAGEMENT LIABILITY COVERAGE PART DECLARATIONS

PLEASE READ YOUR POLICY CAREFULLY.

THIS IS A CLAIMS MADE POLICY COVERAGE FORM AND UNLESS OTHERWISE PROVIDED HEREIN, THE COVERAGE OF THIS FORM IS LIMITED TO LIABILITY FOR CLAIMS FIRST MADE DURING THE POLICY PERIOD, OR THE EXTENSION PERIOD, IF APPLICABLE. DEFENSE COSTS SHALL BE APPLIED AGAINST THE RETENTION.

No. NDO1600871A

Effective Date: **06/10/2026**

12:01 AM STANDARD TIME

ITEM I. PARENT ORGANIZATION AND PRINCIPAL ADDRESS

**LAKE JOHN ASSOCIATION
PO BOX 437
ANNANDALE, MN 55302**

ITEM II. POLICY PERIOD: (MM/DD/YYYY) From: 06/10/2026 To: 06/10/2027

Non Profit Directors and Officers Liability Coverage Part

ITEM III. LIMITS OF LIABILITY

a. Non Profit Directors & Officers	\$1,000,000	EACH CLAIM
b. Non Profit Directors & Officers	\$1,000,000	IN THE AGGREGATE

ITEM IV. RETENTION: \$0 EACH CLAIM

ITEM V. PREMIUM: \$880

RETROACTIVE DATE: Full Prior Acts

PRIOR OR PENDING LITIGATION 06/10/2025

Employment Practices Liability Coverage Part

ITEM III. LIMITS OF LIABILITY

a. Employment Practices	NOT COVERED
b. Employment Practices	

ITEM IV. RETENTION: NOT COVERED

ITEM V. PREMIUM: NOT COVERED

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

NON PROFIT MANAGEMENT LIABILITY COVERAGE PART DECLARATIONS

PLEASE READ YOUR POLICY CAREFULLY.

THIS IS A CLAIMS MADE POLICY COVERAGE FORM AND UNLESS OTHERWISE PROVIDED HEREIN, THE COVERAGE OF THIS FORM IS LIMITED TO LIABILITY FOR CLAIMS FIRST MADE DURING THE POLICY PERIOD, OR THE EXTENSION PERIOD, IF APPLICABLE. DEFENSE COSTS SHALL BE APPLIED AGAINST THE RETENTION.

No. NDO1600871A

Effective Date: 06/10/2026

12:01 AM STANDARD TIME

Fiduciary Liability Coverage Part

ITEM III. LIMITS OF LIABILITY

a. Fiduciary Liability NOT COVERED

ITEM IV. RETENTION: NOT COVERED

ITEM V. PREMIUM: NOT COVERED

ITEM VI. Coverage Form(s)/Part(s) and Endorsement(s) made a part of this policy at time of issue:

See Endorsement EOD (01/95)

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

This Endorsement modifies insurance provided under the following:

NON PROFIT MANAGEMENT LIABILITY POLICY

SPECIFIED PERSON OR ENTITY EXCLUSION

It is hereby agreed that this endorsement applies to all purchased **Coverage Parts**:

The **Company** shall not be liable for **Loss** or **Defense Costs** in connection with any **Claim**:

1. brought by the person(s) or entity(ies) named below; or
2. brought against an Insured based upon, arising out of, directly or indirectly resulting from or in consequence of the activities, operations, acts or failure to act of the following person(s) or entity(ies):

LAKE JOHN IMPROVEMENT DISTRICT

All other terms and conditions of this **Policy** remain unchanged. This endorsement is a part of your **Policy** and takes effect on the effective date of your **Policy** unless another effective date is shown.

This endorsement changes insurance provided under the following policy forms, when purchased:

NON PROFIT MANAGEMENT LIABILITY POLICY

**POLLUTANTS, INFECTIOUS AGENT, MOLD, SILICA,
PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES
(PFAS), ASBESTOS AND LEAD EXCLUSION**

Section III. DEFINITIONS, **Pollutants**, is deleted in its entirety and replaced with the following:

Pollutants

means any solid, liquid, gaseous, bacterial, fungal, electromagnetic, thermal or other substance or material that can be toxic or hazardous; or cause contamination or irritation to persons, animals, property or the environment, including, but not limited to smoke, vapor, soot, fumes, gases, acids, alkalis, chemicals, **Volatile Organic Compound**, radon, combustion byproducts and **Waste**. Specific examples identified as **pollutants** include, but are not limited to: diesel, kerosene and other fuel oils, dry cleaning chemicals, carbon monoxide and other exhaust gases, chlorofluorocarbons, mineral spirits and other solvents, chlorinated hydrocarbons, tetrachloroethylene, adhesives, pesticides, insecticides, perchloroethylene (PERC), trichloroethylene (TCE), methylene chloroform, **perfluoroalkyl or polyfluoroalkyl substances** and all substances specifically listed, identified, or described as **pollutants** by one or more of the following references:

1. Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Priority List Hazardous Substances;
2. Agency for Toxic Substances And Disease Registry ToxFAQs™;
3. U.S. Environmental Protection Agency EMCI Chemical References Complete Index; or
4. any hazardous substance list maintained by any state, county or other government agency or department.

Section III DEFINITIONS, is amended to add the following definitions:

Infectious Agent

means any organic irritant or contaminant, including but not limited to virus, pathogen, bacterium, toxin, fungus, protozoan, prion or other abnormal protein, parasite or other organism, or any byproducts of the foregoing including but not limited to mycotoxin, mildew and any biogenic aerosol, whether or not endemic, epidemic or pandemic or of a local, regional, national or international concern.

Perfluoroalkyl or

polyfluoroalkyl substances means any

1. chemicals or substances that contain one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:
 - a. polymer oligomer, monomer or nonpolymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products; or
 - b. Perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts; or
 - c. Perfluoropolyethers (PFPE); or
 - d. Fluorotelomer-based substances; or
 - e. Side-chain fluorinated polymers;
2. good or product, including containers, materials, parts or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in Paragraph 1.

Silica

means silica in any form and any of its derivatives, including but not limited to silica dust, silicon dioxide, crystalline silica, quartz, and non-crystalline (amorphous) silica.

Volatile Organic Compound

means any organic compound which discharges, emits or releases gases. Examples include but are not limited to formaldehyde, pesticides, adhesives, construction materials made with organic chemicals, solvents, paint varnishes and cleaning products.

Waste

means any property intended to be disposed of, recycled, reused or reclaimed by the owner or user thereof.

Section IV. EXCLUSIONS, A., Pollution is deleted in its entirety and replaced with the following:

Pollution

or threatened existence of, exposure to, transmission of, ingestion of, inhalation of, absorption of, discharge of, dispersal of, seepage of, release of, escape of, remediation of or exposure to or contact with any **pollutants, infectious agent, mold, silica, asbestos** or lead.

1. This exclusion applies whether or not any of the above are sudden, accidental or gradual in nature or expected or intended from the standpoint of any **Insured**.
2. This exclusion applies whether or not such **Loss** arises out of or is caused by, in whole or in part, any actual or alleged negligence or other wrongdoing with respect to:
 - a. the devaluation of property;

- b. the taking or use of any person's or entity's property or air space, or the acquisition of or interference with the rights of any person or entity in such property or air space;
 - c. the testing, monitoring, clean-up, removal, disposal, containment, mitigation, treatment, detoxification or neutralization of any **pollutants, infectious agent, mold, silica**, asbestos or lead or the failure to do any of the foregoing;
 - d. the failure to prevent or limit the spread of any **pollutants, infectious agent, mold, silica**, asbestos or lead;
 - e. the failure to warn or provide sufficient warning of any **pollutants, infectious agent, mold, silica**, asbestos or lead;
 - f. the failure to report to any **pollutants, infectious agent, mold, silica**, asbestos or lead to any federal, state or local government agency, body or department having authority or responsibility for public health;
 - g. any response to or assessment of the actual or alleged effects of any **pollutants, infectious agent, mold, silica**, asbestos or lead;
 - h. any litigation or regulatory or administrative proceeding in which any insured may be a party;
 - i. any water damage or the failure to disclose water damage;
 - j. any other action or failure to take action, whether or not related to any of the above, that caused or resulted in or is alleged to have caused or resulted in, directly or indirectly, any **Loss**; or
 - k. actual or alleged property damage including loss of use, bodily injury, sickness, disease or death of any person, or financial loss to an **Organization or Outside Entity**, their security holders or their creditors resulting from any of the aforementioned matters in a. through j. above.
3. This exclusion applies even if the **pollutant, infectious agent, mold, silica**, asbestos, or lead has a function in or is used by you in your business, products, operations, premises, site, or location.

All other terms and conditions of this policy are the same. This endorsement is a part of your policy. It takes effect on the effective date of your policy unless another effective date is shown.

Special Use/Event Permit

Minnesota Department of Natural Resources (DNR), Division of Parks and Trails

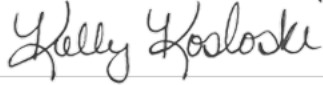
Permit Number	2026-PAT-D6-3A-15
Permit Issue Date	7/13/2026
Event Description	Recommended Wake Boating Area sign produced by Minnesota Lakes and Rivers (MLR). Sign to be posted on the DNR sign tree.
Date(s) of Event	July 1st 2026 - November 30th 2029
Unit Name	Area 3A Parks and Trails, Sauk Rapids
Specific Locations Covered	Lake John PWA, Wright County
DNR Contact	Nikki Hegna (320) 223-7862 Nikki.hegna@state.mn.us
Fee for this Permit	NONE
Insurance Level Required Covers damage to state property.	☐ \$1,500,000 ☐ \$1,000,000 ☐ \$500,000 ☐ Waiver*: Reduced to \$ _____ ☒ None required

Permittee Contact Information (cell phone number required for event-day contact)

Permittee must designate a contact person and an alternate who has full authority to act on behalf of the permittee.

Organization Name	LAKE JOHN ASSOCIATION
Contact Person	KELLY KOSLOSKI
Address	7866 Norris Avenue NW, Annandale, MN 55302
Phone	(763) 250-4090
Email	kellyakosloski@gmail.com
Alternate Contact	
Address	
Phone	
Email	

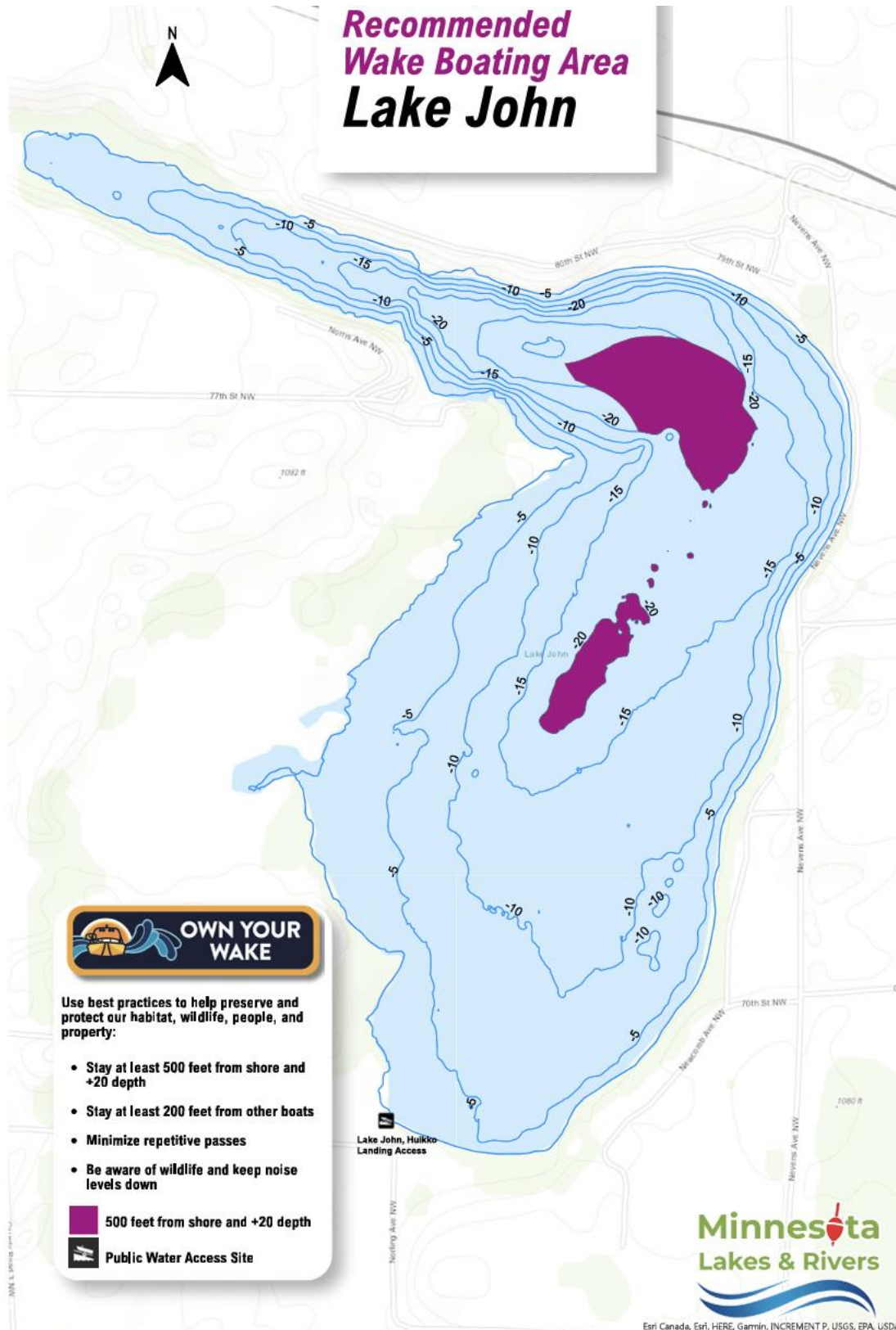
Signatures: Parties agree to the Terms and Conditions described herein.

Signature of Permittee	Signature of DNR Unit Supervisor
 Date: 07-13-2026	 Digitally signed by Rachel Henzen Date: 2026.07.13 12:39:11 -05'00' Date:

Terms and Conditions:

1. Permittee must comply with all state regulations and is subject to the oversight of the unit supervisor. Permittee shall comply with all state and federal laws pertaining to human rights.
2. Permittee shall take all reasonable precautions to protect state property used herein, and the permittee hereby agrees to pay the cost of any damage to state property. Permittee agrees to reimburse the DNR for expenses incurred as a result of this permit.
3. Permittee is responsible for cleaning up all litter and garbage and arranging for its lawful disposal. State property must be returned to the condition it was found prior to the event, and the permittee hereby agrees to pay any operational costs to do so if the property requires additional maintenance to return it to its pre-event condition.
4. Permittee shall prevent invasive species from entering into or spreading within the event site by cleaning equipment prior to arriving at the site. Before entering and leaving the site, be sure all vehicles, equipment and trailers are free of caked mud, dirt clods, plants, plant parts, bark, or debris.
5. Permittee and participants waive and release all claims against the State of Minnesota, its officers, or employees for any damage to persons or property arising from the exercise or the privileges granted by this permit and agrees to hold harmless said state and its employees from any such claim.
6. Unless waived by Commissioner's Order, all vehicles entering a state park or recreation area must have a valid Minnesota State Park Vehicle Permit.
7. Permittee is responsible for providing all personnel necessary to run the event.
8. Permittee is responsible for providing emergency medical services or making provisions for them to be available.
9. Permittee shall make arrangements with local law enforcement officials to handle traffic control or make other arrangements as needed.
10. Permittee shall properly post and sign the event area to notify the general public that the event is occurring.
11. Permittee and all event spectators and participants shall not interfere with other users' enjoyment of public resources, except as outlined in this permit.
12. Permittee shall submit all proposed activities and publications to the unit supervisor for approval.
13. Permittee shall not use DNR, employee, unit names or branded marks in any manner that would imply endorsement of the event without express written consent of the DNR.

14. The unit supervisor shall determine if any DNR personnel, equipment, or materials will be necessary for the event.
15. This permit may be revoked at any time at the discretion of the division director or their authorized representative.
16. **Special Conditions:**
Sign specifications:
 - Size = 12 inches wide x 18 inches tall
 - .063 to .080 metal thickness (aluminum)
 - 3/8" hole size, 1 1/2" radius (distance from edge of sign)
17. **Special Conditions:** The DNR sign tree is the permitted sign location at the public water access.
18. **Special Conditions:** The sign is to be inspected throughout the season by the permittee for damage/condition and take necessary action to alleviate any issues. DNR is not responsible for damage or theft



Lake John Association

Constitution & Bylaws

Amended: June 24, 2023

CONSTITUTION & BYLAWS

ARTICLE 1	NAME	PAGE 3
ARTICLE 2	OBJECTIVES, PURPOSE, AND GOALS	PAGE 3
ARTICLE 3	MEMBERSHIP AND DUES	PAGE 4
	Section 1 Membership Eligibility	
	Section 2 Annual Dues	
	Section 3 Membership Standing	
	Section 4 Membership Removal	
	Section 5 Non-Profit Understanding	
	Section 6 Constitution & Bylaws Amendments	
ARTICLE 4	OFFICERS, DUTIES AND TERMS OF OFFICE	PAGE 5
	Section 1 Elected Officers and Section Representatives	
	Section 2 Elections	
	Section 3 President	
	Section 4 Vice President	
	Section 5 Treasurer	
	Section 6 Board Meetings	
ARTICLE 5	MEETINGS	PAGE 6
	Section 1 Annual Meeting	
	Section 2 Robert's Rules of Order	
	Section 3 Board Duties Effective Date	
ARTICLE 5	CONFLICT OF INTEREST	PAGE 6
	Section 1 Conflict of Interest Policy	

ARTICLE 1 NAME

The name of this association shall be: LAKE JOHN ASSOCIATION (LJA).

ARTICLE 2 OBJECTIVES, PURPOSE AND GOALS

OBJECTIVES: The objectives of this association shall be to:

1. promote the care and betterment of Lake John; and,
2. assist in the conservation and preservation of the natural resources of Lake John; and,
3. promote the general welfare of the members of this association as it pertains to Lake John.

PURPOSE: The purpose of this association shall be to:

1. provide a means for all members and other interested persons to join together, for the common good in public meetings; and,
2. present and discuss topics and problems of general interest and concern; and, and,
3. work out reasonable and equitable solutions that will fulfill the listed objectives and goals of this association.

GOALS: The goals of this association shall be to have:

1. a clean lake, free of pollution, litter-bug refuse, excessive weeds, and the green scum of algae; and,
2. better fishing by means of proper stocking, removal of "rough fish" and providing suitable spawning areas wherever possible; and,
3. a safe lake where boating, fishing, swimming and other water sports can be enjoyed by all; and,
4. improved roads and road maintenance during all seasons of the year.

ARTICLE 3 MEMBERSHIP AND DUES

SECTION 1 MEMBERSHIP ELIGIBILITY

Regular members shall be owners of property adjoining the waters of Lake John or having access rights thereto. Property shall be defined in the same manner that it is defined by the Lake John Improvement District (LID); that is, by property ID numbers assigned by Wright County and included in the LID's taxation purview. The households associated with each of these property ID numbers shall have the option to pay annual dues to the LJA.

SECTION 2 ANNUAL DUES

Current annual dues must be payable on or before the annual meeting held in June. Dues for the forthcoming year will be voted on at the annual association meeting if the amount is changed. Nothing in this section shall prohibit the solicitation or donation, from any source, of voluntary non restricted contributions to this association.

SECTION 3 MEMBERSHIP STANDING

Any member who is in arrears with association dues shall have no voice or vote in the proceedings of this association. The right to vote on Association matters is limited to dues-paying members, one vote per household.

SECTION 4 MEMBERSHIP REMOVAL

Any member disturbing the harmony of this association may have their membership revoked by a two-thirds vote of members attending any annual meeting.

SECTION 5 NON-PROFIT UNDERSTANDING

It is understood that this association is non-sectarian, non-political, and is not operated for profit.

SECTION 6 CONSTITUTION & BYLAWS AMENDMENTS

The power to adopt, amend, or repeal the constitution & bylaws is vested in the Board of Directors, subject to the power of the members with voting rights to adopt, amend, or repeal bylaws adopted, amended or repealed by the Board. Bylaws may be adopted, amended or repealed by the Board of Directors by 2/3 majority vote of the Directors in person or electronically. The power of the members with voting rights to adopt, amend, or repeal bylaws adopted, amended, or repealed by the Board of Directors may be exercised by 2/3 majority vote of the members present at an annual meeting.

The Board of Directors has the power to adopt, amend or repeal provisions in the bylaws: fixing a quorum for meetings of members; prescribing procedures for removing directors or filling vacancies in the board; fixing the number of directors or their classifications, qualifications, or terms of office; prescribing procedures for removing or adding members; and increasing or decreasing the vote required for a member action, subject to the power of the members to adopt, amend, or repeal bylaws adopted, amended, or repealed by the board.

ARTICLE 4 OFFICERS, DUTIES AND TERMS OF OFFICE

SECTION 1 ELECTED OFFICERS & SECTION REPRESENTATIVES

The elected officers of this association shall be President, Vice President, Secretary, Treasurer and one representative from each section. The number of Sections and the number of members in each Section will be determined by the Board of Directors. Representatives must reside in the section they represent. Together these individuals shall consist of the Governing Board of this Association. Officers & representatives must be in good standing (paid membership) with the association.

SECTION 2 TENURE

The officers and representatives shall be elected at the annual meeting of the association. Immediate Past President will be a member of the board with a vote for a period not to exceed one (1) year. Elections will be held annually. President, Vice President, Secretary and Treasurer and Representatives may hold no more than two (2) consecutive terms in their respective office.

President, Treasurer and Representatives of even-numbered sections will be elected in even years. Vice President, Secretary and Representatives of odd-numbered sections will be elected in odd years. All officers shall be limited to a two (2) year term in office unless there are vacancies.

Each Section's membership shall vote solely on its respective Representative. At least 50% of the Section's membership, in attendance at the annual meeting, is required to elect a Section representative. Any ties will be broken by re-vote. Newly elected officers and representatives shall assume the duties of their offices after the close of the annual meeting each June.

SECTION 3 PRESIDENT

The President shall preside at all meetings of the association, enforce order and observance of the By-Laws, appoint committees and perform other duties as the association deems fit. The President shall preside at all meetings of the Governing Board, but shall have no vote except to break a tie vote. If one or more committees of the Association are formed, the President shall appoint a Chairperson with the approval of the Board.

SECTION 4 VICE PRESIDENT

The Vice President shall perform all the duties of the President, in case of absence or inability to attend the duties of the office. In case a vacancy occurs in the office of President, the Vice President shall automatically become President, and a new Vice President shall be elected at the next annual meeting. Should the Vice President be unable to assume the duties of the President, they may appoint a President with the approval of the Board of Directors.

SECTION 5 TREASURER, FINANCIAL MATTERS

The Treasurer shall collect all dues and assessments and receive all contributions to the association, and pay all bills of the association, keeping accurate accounts thereof, and shall report all financial transactions, for the preceding period, at each meeting of the board and the association.

All disbursements of association funds shall be made by check or debit card and signed by the Treasurer or the President.

Disbursements of association funds shall be authorized as follows:

- a) Amounts under \$200 may be paid out by the Treasurer.
- b) Amounts over \$200 but less than \$500 must receive approval from the President.
- c) Amounts over \$500 but less than \$2,000 must have approval from the Board of Directors.
- d) Amounts over \$2,000 or more must be approved for payment by a majority of the members of the association in attendance at the annual meeting, or electronically as needed for items raised by the Board of Directors other than at the annual meeting.
- e) All funds to the association designated for a specific purpose may be expended, but only for that purpose, with the approval of the Board of Directors.
- f) No officer, representative or member of this association shall incur indebtedness or cause an indebtedness to be incurred in the name of the association without prior approval thereof for payment or authorized in advance as outlined above in subsections a, b, and c.
- g) The President will appoint 2 members as auditors to review the books prior to the annual meeting and report to the Board their findings.

SECTION 6 SECRETARY

The Secretary shall keep the minutes of all meetings of the association and all board meetings. At each meeting, the minutes of the preceding meeting shall be distributed and offered for correction and/or approval by the Board. Whenever an electronic vote is taken by the Board, the Secretary shall include the results in the next minutes and the date thereof.

ARTICLE 5 MEETINGS

SECTION 1 BOARD MEETINGS

The Governing Board shall meet on the 2ND Monday in May, June, July and September, unless the second Monday falls on a holiday. Then the meeting would be held on the 1st Tuesday following the 2nd Monday. An agenda shall be distributed to board members 5 days prior to the board meeting. The purpose is to conduct the business to the association and report all the transactions for the approval of the association.

SECTION 2 ANNUAL MEETINGS

The annual meeting of this association shall be held on the 3RD or 4TH Saturday of June. If the date changes, notice will be made 7 days prior to the annual meeting electronically. Newly elected officers and representatives shall assume the duties of their offices after the close of the annual meeting each June.

SECTION 3 MEETING PROCEDURES

All public meetings are to be governed and conducted by Robert's Rules of Order.

ARTICLE 6 CONFLICT OF INTEREST

SECTION 1 CONFLICT OF INTEREST POLICY

The purpose of the conflict of interest policy is to protect this non-profit organization's 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. Yearly signatures are required to affirm each person has received a copy of the conflicts of interest policy and understands the organization is not-for-profit. All board members are asked to sign the form at their July board meeting yearly.

Conflicts of Interest Policy of Lake John Association

ARTICLE 1 PURPOSE

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of another 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 2 DEFINITIONS

1. Interested Parties

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;

- An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- 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 3 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 the 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

- 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.
- The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- 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.
- 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. Violation of the Conflicts of Interest Policy

- 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 investigations 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 actions.

ARTICLE 4 RECORDS OF PROCEDURES

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 translation 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 5 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 the 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 the 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 6 ANNUAL STATEMENTS

Each director, principal officer and member of the 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 understand the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable 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 7 PERIODIC REVIEWS

To ensure the Organization operates in a manner consistent with charitable 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 in inurement, impermissible private benefit or in an excess benefit translation.

ARTICLE 8 USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article 7, 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 periods reviews are conducted.