

HLA Board Meeting May 19, 2014
Minutes
Call to Order: 7:05 pm

Roll Call

<u>Present</u>		<u>Absent</u>
President Coan Vice Pres. Stickrod	Treasurer Waldorf Secretary Shake	Director Pirtle Director Weir Director Buckowski

Approval of Previous Minutes

Annual Member Meeting

Motion By: Vice President Stickrod Seconded By: Director Pirtle Vote tally: 5-0

03/22/14 Board Meeting

Motion By: Secretary Shake Seconded By: Director Pirtle Vote tally: 5-0

Approval of Expenditures

Motion By: Treasurer Waldorf Seconded By: Secretary Shake Vote tally: 5-0

Treasurer's Report

Please see page 9

Questions: None

President's Report

- Got a call from the Sherriff's office, tree fell in 400 block of heritage drive. Jason Magarity took care of it for us. Another member took the wood, it is all cleaned up
- Thanks again to Shawn for fixing stop signs a month ago

Committee Reports

Member Chaired

- **Conservation**
 - Discussion about fish stocking for this year.
 - Budgeted \$3k, since the last meeting, we got the report from the shocking a month ago.
 - Talking to Wayne Herrman about the report about what we should do. He suggested that the population of walleye is diminishing and if we're interested in them we should restock. This is a significant increase in cost from what we budgeted.
 - The amount is closer to \$4,600 than the \$3,000. We're not willing to second guess DNR suggestions, and will make this recommendation to increase the stocking.
 - This is money that will still fit in our overall budget, but it is a significant increase.
 - This decision needs to be made soon to order for delivery in October.
 - A member came into the office and brought in IL game and fish magazine.
 - The magazine lists us as public fishing is allowed. Contacted the magazine, they will be printing a retraction to their statement.
 - Since then someone has called the office asking about how to come fish out here.
 - Our short term solution is pursuing the retraction but we need a sign at the dock. Conservation will take care of it and post it, hopefully before this holiday weekend.
 - Treasurer Waldorf: no trespassing
 - Secretary Shake: Members only
 - Vice President Stickrod: If it's under \$1,000 I can just approve the expense.
 - President Coan: where did they get that information.
 - Dave: The author was out here by invitation of a member.
 - Today was a big day on the lake.
 - Rick Bremner tested the water early this morning, and the lake was treated later this morning. We used Ben's motor today, we still need to get a motor to do this. Everything went well.
 - Director Weir: what did you spray for?
 - Dave: Milfoil.
 - Volunteer day worked on Brush removal at the base of the dam and cleaned up the beach.
 - Shawn: Need a couple more hours of work to finish up. Thank you Marvin Theobald
 - Dave: New committee member who also works for the DNR. Great resource for us.

HLA Board Meeting May 19, 2014

Minutes

- Director Weir: motion to approve an additional expense of \$1600 for additional fish
 - Director Pirtle Second
 - Dave: We will use the same fishery
 - President Coan: SO we're looking at total of 4600 for fish stocking.
 - 5-0
- Treasurer Waldorf will take to finance committee via e-mail
- Unknown Member: what were the results of this morning's survey?
 - Dave: While out this morning, saw a lot of chad, but not much else. We got more fish in the survey today than last year.
- **Environmental Control**
 - 2 tree removal permits
 - 2 accessory building permits
- **Road Committee**
 - Signs have been ordered. Will be ready to be picked up later this week. Material under new business.
 - Need to get approval for the work on Scarbrough and Westminister drive.
 - Cost will be \$40,000 for all of Scarbrough and 400 feet on Westminister.
 - 300 ft of Westminister and 300 on Scarbrough to be tilled
 - Bud: I contacted 3 different contractors who are interested in bidding on this work.
 - Vice President Stickrod: we need bids before we can approve expenditure.
 - Bud: We should receive bids on the week before the next board meeting in June. We'll come for approval at the next board meeting
 - Director Weir: are you doing shoulders?
 - Bud: We are proposing recycling 23 feet wide plus resurfacing 21 feet in the middle
 - Director Weir: so you'll be tiling them up and then what?
 - Bud: tilling and then adding 2 inches
 - Secretary Shake: What was the reason for choosing Scarbrough to do work on?
 - Shawn: level of deterioration is the worst in the subdivision
 - Vice President Stickrod: So now, you have approval to get bids, we will review the bids and approve one
 - President Coan: The finance committee is requesting a 90 day action plan.
- **Finance Committee**

No additional report, see treasurer's report

Board Chaired

- **Road Repair/Maintenance**
 - Our cleaning person retired, and Pay Mountjoy has been diagnosed with cancer, and has resigned, so we are short maintenance people.
 - So much comes to maintenance, and I've been humbled.
 - Beach house and campground bathrooms are open.
 - The campground got ahead of us. I've recruited a guy with a brush cutter to help out
 - Working on pothole and mowing and that's about it.
 - President Coan: in the past we've used younger guys to mow.
 - Vice President Stickrod: Part of the agreement we signed is we wouldn't hire our own family. And we don't have a supervisor. We need that person before we can hire young folks.
 - Kurt: Watch your liability with hiring young kids to run the mowers.
 - Vice President Stickrod: our policy is 16 and over, but we won't hire them until we have a supervisor. We've had a couple members step up to help out
 - Kurt: Previous boards have used outside mowing companies so they didn't have the liability and costs associated with doing it in house..

Minutes

- **Office Org.**
 - Road fund mailing went out. If you didn't get it let me know.
 - Margaret and I are working on a realtor letter giving out the information about the properties for sale page and prepping the property sale packet.
 - We will post documents that the seller creates. We are not going into the Advertising business, we will not be creating any ads, just posting what is given to us.
- **Pool & Lodge**
 - Just getting into it for me. Interviewing and getting bids for cleaning. Pool is drained and getting ready for filling
 - Painting is in the budget for next year.
 - President Coan: Central pool has asked why we hesitated to acid wash it
 - Director Weir: Its got quite a few layers of paint on it. Doing it our selves it only lasted 1-2 years, and a professional paint job would have probably lasted 7.
 - Kurt: Chemical fluctuations cause the paint to break down. Put a vinyl liner in and you never have to paint again
 - Director Weir: but you have to replace it I assume
 - Kurt: but it will last longer than paint.
 - Director Weir: Can you get a bid on it for me?
 - Treasurer Waldorf: What's the time frame for filling?
 - Director Weir: I was shooting for Memorial day, but it won't be warm enough to open anyway. We'll see how the weather is the rest of this week.
 - Treasurer Waldorf: If you wanted to do a liner you would want to do that first.
 - Director Weir: This wouldn't be for this year.
 - President Coan: It would also keep the paint chips out of the strainers and filters.
 - Director Weir: We've got a new vacuum that is going to be installed in June that will help with that too.
- **Administrative & HR**

Already talked about our employee issues
- **Building & Zoning & Security**

None
- **Outdoor Amenities**
 - Bath house at the beach up and running, but hot water heater is dead. I will do a little more research tomorrow and put in to replace what we need to. Beach is up and running for memorial day weekend, all we need is the rescue ring. County was here today, waiting for the report in the next couple of days.
 - Campground hot water heater is totally dead. Bob and Gene Rider replaced it on Sunday and got the shower house up and running with hot water. We will have a couple campers over memorial day. Electricity has been disconnected. Someone had dropped a line into our breaker box which was completely illegal. I pulled everything out of it and secured it all up. We have some members looking to re running the power at the campground. Purdy is going to run some underground conduit for free. Goal is 5 RV sites with water and power, and we'll see how it goes. If it gets use, we'll continue to upgrade, if not we'll revisit purpose.
 - Signs at boat ramp discussed already
 - Entrance way signs, waiting to clear coat when humidity goes down.
 - Volunteers helping with front entry way since the Knowles' are out of commission
 - Marvin: Mulch for the front entrance is going to take about 3 yards to do it. Nicer is \$40 a yard, granulated is \$16-17 a Yard.
 - President Coan: Yordy's delivers for free.
 - Vice President Stickrod: It wasn't in the budget in the first place, I'd like to stick to the \$40 for now. I may have money left at the end of the season, but the beach takes priority.

- **Website**

- Posted about the treatment at the lake and the restrictions from the treatments.
- We need some sort of No Swimming or Beach Closed sign.
- Treasurer Waldorf: Did we intentionally change the front page of the website to be our announcements?
 - Secretary Shake: Yes, about 8 months ago.
 - Treasurer Waldorf: Why wouldn't we want that front page to be about Heritage Lake?
 - Secretary Shake: As we were looking at the site redesign, I did a lot of research on other Homeowners Association sites, and the primary audience was the members first and outsiders second. This is the important information that is current with Heritage Lake, and what is most important to the association right now.
 - Treasurer Waldorf: Is this somewhere we can post that information about it being a private lake as well?
- Property For Sale page coming soon.
- Social Committee needs people!

Unfinished Business

- **Jeremy Janssen CreatiVets event**

Have no new information. President Coan is trying to get a hold of Director Buckowski, but hasn't heard anything

- **Weight Limits**

- President Coan: we have been questioned about what are we limiting.
- Vice President Stickrod: most of the delivery trucks are not over our limit unless fully loaded (and that typically only happens at the holidays if ever). School buses are over our limit when fully loaded, by several hundred lbs but only when fully loaded.
- Biggest offenders are the garbage trucks. Talked to Jamie at Neville, he is going to put together information about their services. People are using our dumpsters as their own trash.
 - Director Weir: Neville's monitors it. If they see household trash, they go through it and let us know who doing it.
 - Vice President Stickrod: There is no contract with the association, so they have never really gotten permission to be on the roads. Asked him to present a proposal requesting permission
 - President Coan: The trash might have been one for those things that was agreed upon by a previous board, and not well documented.
 - Vice President Stickrod: He says that they have never done a proposal with the association, its' just a contract with each individual member. They don't technically have permission to be here January to May. We need to get something officially on the books for them.
 - Secretary Shake: I this something we might want to look into a blanket contract with the association?
 - Vice President Stickrod: Then we would have to collect the garbage fees.
 - Treasurer Waldorf: That would up our assessments by 50% just to cover the cost of the garbage, and then what if they don't pay? We're right back where we are now.
 - Vice President Stickrod: It seems their rates might be a little bit higher than nearby areas, but they don't limit how many bags/cans are available. If we can get something out that they will do bulk pickup if you just call, hopefully that will help with the dumpster problem.
 - Director Weir: They used to have that printed on the bill
 - Vice President Stickrod: not anymore, no since they went to the postcards.
 - Shawn: Tried to dispose of trash at the maintenance shed, took it first to the beach, there's a lot of household stuff in there. What if we moved the dumpster to the maintenance shop?
 - Director Pirtle: What do they cost (the dumpsters)
 - Director Weir: \$180 a quarter
 - Director Pirtle: The one at the lodge sure, but the one at the beach
 - Director Weir: it's a good idea, but we need the dumpsters where they are.

New Business

- **Cold Patch**
 - Do we have a final bill yet
 - Director Pirtle: I signed the weight bill, but no final bill.
- **Road Committee load of CA6/Dirt/Stone**
 - Shawn: We have done the work on Redford. This will be used for erosion control with the various projects we are going to have it would be beneficial to have that here.
 - Director Pirtle: We did get the trailer moved so we have space to store it now.
 - Shawn: Looking at \$1200 total
 - Director Weir: Don't need a motion, 3 items under \$1,000 each.
 - Director Pirtle: Then do it.
- **Lodge Furniture**
 - Director Weir: we're looking at replacing what we have, upgrading.
 - Treasurer Waldorf: indoor or outdoor
 - Director Weir: Indoor, the stuff on the far side of the fire place; couple couches, loveseat, 2 chairs, coffee table.
 - Treasurer Waldorf: Does it have to be new?
 - Director Weir: IT doesn't, but I would like to get a matching set.
 - Vice President Stickrod: do you know Kent?
 - Director Weir: I do. They don't typically get a lot of lounge furniture.
 - Post to website we're looking for volunteers to shop for new furniture for the lodge.
- **Ameren Easement Sale**
 - Director Weir: Ameren is looking to expand easement from 50 feet to 100 feet around power towers on 4 lots that HLA owns
 - Private owners are being approached too. The 4 HLA lots are 2-56, 2-130, 2-131, 4-189 They're saying all they want is to be able to trim back. But the agreement allows them to potentially build new lines.
 - Unknown: Inaudible
 - Director Weir: That's the same thing. Ameren will have contacted everyone who has a lot with the lines on them.
 - Secretary Shake: So there's four HLA owned lots that we're talking about, but there are owners who are getting this same letter.
 - Director Weir: Yes there's probably 100 lots that have been contacted on.
 - Treasurer Waldorf: Do they have to have the easements from everyone?
 - Director Weir: Do they have to have it? Eventually yes, but I believe they are taking it wherever they can get it now and will deal with the others later.
 - Director Pirtle: And they're offering \$,000 for these lots we have not use for.
 - Director Weir: Yes. They're offering \$1 a square foot for this space. They're offering very good money for this.
 - Unknown member: You risk them going after eminent domain if you don't take the offer. If its good money now, and going to single pole which will take up less space.
 - Director Weir: We're not at a ton of risk, and I asked if they would take the construction out of there, and she's supposed to be getting back to me. The only other concern I have is if those trees are the only buffer between the member and those lines, would the neighbor be concerned.
 - Dave Riggert: Are they asking for just an easement or the lot?
 - Director Weir: just the easement.
 - Dave Riggert: You can still sell the lot subject to the easement,
 - Director Weir: but to be honest they were all given back to use and had been sold as \$100 membership lots. They are offering \$20,000
 - Director Pirtle: Do you see a downside?
 - Secretary Shake: I'd like to know if they are willing to amend the agreement before we make a decision.
 - Director Weir
 - Treasurer Waldorf: You think they want to cut down instead of aggressively trim?
 - Director Weir: I think so yes.
 - Vice President Stickrod: There's not many trees on them, it's mostly scrub brush.

- **HLA Lots Return**

- Director Weir: member has 3 lots would like to know if we will take back after he takes the Ameren money
- Director Pirtle: I can't imagine why we would want them back.
- Director Weir: Because we have people who want membership, so we could turn around and sell them for \$100 and not really be holding on to them long.
- Vice President Stickrod: They will be pretty much unbuildable with these easements wouldn't they?
- Director Weir: They would be. And they have taxes of about \$300 each. I could go down and protest these and get them down to the \$11 approximately that we are paying for several of ours.
- Kurt: What are the lost assessments?
- Director Weir: \$850 a year, but only while we are holding them.
- Treasurer Waldorf: is there any reason he couldn't sell them for \$100?
- Director Weir: he's more likely to stop paying taxes and let it go back for tax sale than incur the expense and effort of selling them.
- Vice President Stickrod: How many do we have?
- Treasurer Waldorf: 7, with tax liability
- Director Weir: And that's about what we sold last year.
- Secretary Shake: 7 total but I believe 4 are spoken for or need other resolution.
- Kurt: It sounds great if people want to donate lots, but you're reducing our revenue. Reducing the revenue stream in an underfunded association is not a good plan.
- Secretary Shake: Except you're not reducing the revenue stream if these people aren't going to pay their assessments if we don't take them back because they don't want their lot, and they don't care about not having access to the amenities.
- Kurt: I'm hearing that sometimes they're not paying their taxes, but I don't have any evidence. I'm telling you from my experience we don't have enough money to run the association, so I'm telling you that you really need to think whether or not taking a lot as a gift as gift is a benefit to your members.
- Secretary Shake: And I'm telling you that the two people that I know of that asked us take their lot back in the last year have stopped paying their assessments. So we're losing that money anyway.
- Kurt: Inaudible
- Director Pirtle: It sounds like we have people who want lots and want membership and will pay assessments, and these people don't want their lots and don't want membership, it sounds like a good trade to me.
- Kurt: inaudible
- Director Weir: Yes we are reducing the revenue stream until we turn around and do that.
- Vice President Stickrod: we have 3 on the hook right now, we take in 3 and sell 4, we're not losing anything by doing this now.
- Director Weir: Either way we're talking less than \$1,000 a year.
- Treasurer Waldorf: When does the Ameren thing go through?
- Director Weir: If we don't take them, I don't think he will accept the easements, and will try to sell them himself.
- Marvin: It seems like we get a lot of lots turned back to us regularly. Could we help these sellers with keeping a \$100 buyer list but let the sale go owner to owner. And the old owner is responsible for the assessments until the sale.
- Director Pirtle: What if we just say we will never carry over XX number of lots. Set a limit to how many taxable lots we hold at any one time.
- Kurt: Seems like something you'd want to run by the finance committee before you reduce the revenue stream.
- Director Pirtle: We're not reducing the revenue stream.
- Secretary Shake: If we say we're never going to own more than 7 lots we're not changing the revenue stream from where it is today.
- President Coan: It sounds like we need some more research on this, so let's postpone this to next month.

- **Selling HLA owned lots**
 - HLA owns 40 lots, 33 with no tax liability, 7 with some. The 33 with no tax liability have reasons that it would be good for the association, and we do have 7 lots that are costing us money and we're not getting assessments on.
 - Secretary Shake made a motion to allow sale 17 King Richard Drive to Mike Abbot for \$100 for membership privileges
 - Vice President Stickrod: Second
 - Discussion:
 - Waldorf: He's aware of the rules regarding multiple owners?
 - Secretary Shake: Yes it is him and one other.
 - Vote 5-0
- **224 Westminster Tax Sale**
 - Vice President Stickrod: The property is the abandoned property that has been around for 7 years, and is coming up for sale this year with everything free and clear if you win the bid. Minimum bid is \$700. If we win the bid for \$701, and clean it up ourselves we could then resell it.
 - Cost to take it out, double wide trailer on a block basement. Dumpster \$500, bobcat \$450, \$1,000 to demo. No septic, just a leach field according to County. If we don't bid, and it doesn't sell, it will go back to the County,
 - Director Weir: The minimum bid should be \$635
 - Vice President Stickrod: The Tim's and I have talked about how to get it cleaned up. The neighbors are complaining. One neighbor did just sell his house right next to it. It is a safety hazard, as the kids have been in it. My proposal to the board is to put in a bid of \$650, if we don't get it someone else has bought it and is going to clean it up themselves. I think it is a rebuildable lot.
 - Director Weir: In order to sell it, you will have to remove the leach field. It's going to interfere with the building of a new house. If you didn't get it in writing that we don't have to do anything with it, I would, everyone else I have talked to said that you can't have any septic on a vacant property.
 - Vice President Stickrod: I keep hearing that they won't do anything
 - Director Weir: Once they put it up for tax sale, it is now Tazewell county's property and they can do something about it. This new department is now funded. We've got it in the works to get it cleaned up, but we have to wait until it's owned by the county.
 - Vice President Stickrod: So we postpone until next month and do more research. Need a confirmed date.

Open Floor for Members

- John Arrington: Bought a \$100 lot, but it appears that I no longer own that lot. I walked into a bad situation. The lot wasn't for sale, I paid taxes on it I paid assessment fees. If I bought a lot that I shouldn't have bought, what are you going to do about it.
 - Director Weir: You no longer own the lot?
 - John: That's what they tell me up at the bank office.
 - Treasurer Waldorf: There were no taxes on the lot?
 - John: That's correct the tax bill was \$0.
 - Secretary Shake: The lot you purchased was a lot that should have never been sold. It was a mistake made by our previous office person that needs to be rectified.
 - John: That's what I'm asking. I had no idea what I walked into. I just wanted to buy a cheap lot and go fishing. The lot that I bought I liked it because I could have done a little work and go down directly to the lake. That's the reason I liked it, no other reason.
 - Director Weir: We can refund your \$100, we can get you a list of the other lots that are available, but none of them are waterfront lots.
 - Secretary Shake: That's the problem. There were none available at the time you purchased your lot either. None have been available for years. That one should not have been available.
 - John: You just talked about 7 other lots that are available.
 - Secretary Shake: None of them are waterfront. You can have any of the other ones and still have all the membership rights, but none of them are waterfront.
 - Vice President Stickrod: The person who sold you that lot will be doing some time, probably very soon, they made many bad and illegal choices, and this sale happens to be one of those illegal

Minutes

- choices.
- Treasurer Waldorf: I don't think you can get at the lake from that lot.
 - Director Weir: None of that matters, the lot that she sold you was not supposed to be sold. We're working with our attorneys to get all of those in which that was the case back. We're happy to work with you to get you a lot that is available for sale, your choice, if you would like. Or we can refund your money.
 - John: inaudible
 - Secretary Shake: The other thing you need to understand is that Director Weir was the person trying to resolve this, and he has been medically incapacitated for the last several months. None of the rest of us were up to speed and this fell through the cracks. I apologize for that. I didn't know what the situation was, or we would have contacted you sooner than this and tried to get this resolved. I do sincerely apologize for that, and if what your after is access to the amenities out here we can absolutely accommodate that. You have access to the lake from the boat launch, there are dock that are member docks you can fish from at any time.
 - Director Weir: And we allow you to keep your boat down at the boat launch Memorial Day to Labor Day if you don't want to haul your boat back and forth.
 - Secretary Shake: We have options to work with you.
 - John: Whom will I work with?
 - Director Weir: I will work with you. I'll give you my contact information and we'll go look at the available lots and get ones that meets your needs.

Executive Session

Motion By Secretary Shake

Seconded By Vice President Stickrod Vote tally 5-0

Executive Session Adjournment

Motion By Vice President Stickrod

Seconded By Director Pirtle Vote tally 5-0

Meeting Adjournment

Motion By Director Weir

Seconded By Vice President Stickrod Vote tally 5-0

Treasurer's Report May 19, 2014

All data presented is as of April 30, 2014.

The Total Cash Balance is \$478,437.04 and is made up of the following fund balances:

General Fund -\$138,729.33
Lake Fund - \$48,105.85
Road Fund - \$41,485.50
Emergency Fund- \$50,049.35
Lake Fund CD – \$100,028.72
General Fund CD – \$100,038.29

(Note: Interest on the CDARS, \$67.01, is not included in the financial reports.)

Road Fund assessments were mailed last week and are due on July 1. They notices included the reminder that there is a \$25.00 Late Fee per assessment. Payments are directed to our accounting firm or checks may be dropped off in the HLA office. No cash payments will be accepted.

The outstanding receivables total is \$103,540.28, a decrease of \$13,613. Assessments decreased by \$17,911 and late fees increased by \$5,516 due to the Late Fee assessment passed at the annual meeting. For additional breakdown, please refer to the attached Balance Sheet.

Collection Data: Of the 83 owners we sent to collection in August we have the following: 51 paid, 4 written off, 9 on payment plans, 11 sued & judgment, 3 bankruptcies, 3 still working, 2 not enough to be cost beneficial to sue yet. During the month of April we received an additional \$2,200.28 in payments for a total of \$27,704.68 in a 9 month timeframe. Our portion of the total is 75% or \$20,778.51.

The Year-to-date Net Income is \$197,460.05 with Revenues of \$252,520.16 and Expenses of \$55,060.11. Please see the attach Profit and Loss Statement for further detail. There were no unusual expenses in April.

As for actual Cash details, for the month of March the cash deposits were \$18,961.01 and the cash expenditures were \$12,877.45. . Please see the attached monthly reports for further detail.

Property taxes on 40 lots owned by HLA total \$332.10. 33 lots have no tax.

With the recently revised bylaws the Finance Committee is now an advisory committee. The Advisory Finance Committee continues to meet and is taking the lead on determining options related to improving the roads. The committee has begun discussions with county board members to determine what the next steps are related to SSA. (Special Service Area.)

This concludes the treasurer's report for May 19, 2014.