

Roll Call

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

Approval of Previous Minutes

Motion By: Secretary Shake

Seconded By: Director Pirtle

Vote tally: 4-0

Approval of Expenditures

Motion By: Treasurer Waldorf

Seconded By: Director Pirtle

Vote tally: 4-0

Treasurer's Report

Please see page 6

Finance committee did not meet last week. Many members were out of town.

President's Report

Thank you to the road committee and crew for work during snow

Stops signs are down at Westminster and Heritage, please use caution until they are replaced.

Director Pirtle: I called Julie, we're going to have to bore new holes. We put up temporary signs and barrels until we can get new posts up.

Committee Reports

Member Chaired

- **Conservation**

- As we have talked about last time, we closed the valve when the lake froze. The total drawdown from when we opened to when we closed was 38 inches, we were expecting a bit more. It turned out that if there was an inch or more of precipitation in a week, the lake hardly dropped at all.
- As a committee, next we will schedule a time to go look at the shoreline to see how it looks and best plan for the future. Because it drops the most at the beginning, we can start the draw down much earlier and still allow people time to get boats out. We haven't decided if we will do it again.
- Blake is with DNR. In talking to the department, he thinks that the classification of our dam may not be correct. It's currently a class 2, but it should probably be a class 2. DNR has said that if we request in a letter to reclassify they will consider it. We would do this because if we ever modify the dam, the permit cost is 1000 cheaper as a class 3 than a class 2. Also inspections are not as often, every 5 years instead of every 3, and that's a cost savings. Blake will write the letter, conservation will review, and we will bring to the board for approval.
- Repairs to the dam, rip rap on the water side of the dam needs to be replaced and large rock at the bottom of the concrete structure at the base of the dam.
- President Coan: Did they get the cleanouts done?
 - Dave: Sediment Basin 1 is complete; I don't know the status of basin 2.
- Treasurer Waldorf: Do you think it was cold enough long enough to kill the milfoil
 - Dave: We won't know until the spring and we see if it grows back. Many other factors, snow, water level, etc. We'll evaluate it in the spring
- Director Pirtle: Is there a fee for the dam inspection
 - Dave: Yes for the engineer who does the inspection, about 1500 every 3 years. If we could do that every 5 years instead, it would be a significant cost savings.
- Director Pirtle: When I was closing the valve it looked like the lake could go down another 1.5-2 ft does that seem right?
 - Dave: Roughly.

- **Environmental Control**

- No Report

- **Road Committee**

- We need help with enforcement with weight limits on our roads. What are our current procedures for enforcing the weight limits?
 - President Coan: Report any violations you see to the office. Pictures and license plate numbers are helpful.
 - Shawn: Can we post a reminder on the website and facebook?
 - Secretary Shake: Absolutely. Send me an e-mail with what you would like posted, and I'll take care of it.
- We have come up with this year's road repair plan and will be working with the finance committee to get that started earlier in the year
 - Director Weir: What are your plans for this year?
 - Shawn: Finish Westminster. Brandy right outside the lodge, Brandy Dr, and Brandy Lane. King Richard will also get total reconstruction this year.
- Bob Porter on the role of the Road committee moving forward: I really don't have much to say until we have some finalization from the Finance committee and their work with the county.

- **Finance Committee** -Jim Flynn on the progress of feasibility study

- The concept of an SSA. The goal in 2011 was to upgrade the roads so all of them could be dedicated to the county. We approached that, were unsuccessful with it because of cost and it was back burned until this year. We have re-approached the idea with the county board who brought it to the transportation committee. We had a couple of meetings with the engineers and several others that were involved before. We found out they were interested in pursuing, so we met with the board to provide an update. We got a list of questions from the board on the process. Now we are currently on the 2nd phase of a 2 part study on the roads, beginning with field work investigating the current status of our roads and infrastructure. The county has indicated that they were in agreement that roads would need to be brought up to a specification that is appropriate for rural subdivisions, but a big portion of this is the addition of ditches because the ditching goes into the area of the road where utilities are running. It is expensive to move the utilities, and as a private association we would incur those costs. The other part is widening the roads from a shoulder standpoint, and the engineer indicated that this would not have any added to the community.
- Meeting 2 weeks ago with the township and county engineer to report on the status of our current roads and culverts. The hopes of that meeting were that the engineer would officially agree to not add ditches and expand the width of the roads. The engineer held a hard line that he is going to hold us to a standard the same as a new subdivision. We did get an agreement on what the road specifications would need to be for the county to accept them. On the culverts, of the 17 that go under Heritage Drive, only 2 have been recently replaced the rest will need it soon. In the county, the number of culverts that need to be replaced at age 45-55 are alarming.
- Where does that leave us today, we're still in the process, we're still able to do some things.
- The SSA allows us to get money through a funding mechanism that is tax based rather than assessment based, and it allows us to get funding at a higher level because of the bonding.
- When we went into this, the county was very clear there were 2 parts to the SSA. The dedicated part would get the dedicated roads up to the measure of the county. The second portion is for roads that would not be dedicated. The only difference between those two parts is the rates on the bonds, tax free municipal bonds for the first part, and higher interest bonds for the second part.
- We will continue to get further confirmation on the dedication, although it does not look promising. We also need to get further information on what jurisdiction the county would have over the non-dedicated roads if we fund with an SSA.
- In addition to an upgrade and repair program, we also need a maintenance plan put in place so that we do not get back in this same situation again.
- Ideally, we will upgrade the roads in one big project, and then just have to maintain
- Things the Finance committee felt were most important when moving forward with this process:
 - Length of time it would take to upgrade the entire subdivision
 - Affordability
 - Salability – how possible is it for the membership to accept
 - Project Management, and engaged engineering firm for the long haul, initial upgrade and an ongoing maintenance basis.
 - Quality of the roads (long term life, cost/life analysis.)

Minutes

- We are not at a point yet with a recommendation, but we hope to have informational meeting before the annual meeting
 - Kevin Rhobards: Is the Maintenance portion and the construction portion mutually exclusive? If we're doing ditches increasing the size and depth, who covers the cost to the members culverts?
 - Jim: The culverts are the really important part. According to our documents, the member is responsible for the culvert that is on their property, installing, maintaining etc. Many of them were properly installed and are fine. Some were not properly installed, they're collapsed, the wrong size, they're filled in, they've filled the ditch with a culvert. The township has a real concern with that, and that's one of their issues with accepting the roads. Their view is that if they have the roads, they also own the culverts. They don't want to take over a huge liability of a bunch of culverts that are either improperly installed or at the end of their life. It's not a big deal to HLA, because it's the members are responsible.
 - On the inclusive construction and maintenance. We can absolutely do that. If we do a dedication or not, we are not going to be out of the road business in any way shape or form. What has been attractive to the finance committee has been being out of the road fund collection business and allowing the county to do the fund collecting for us.
 - Bob Porter: Regardless of the dedicated or not dedicated do we have to meet county specs for the SSA
 - Jim: No, and that is what we are researching. How much pull does the county require for us to get the SSA? We believe that we would not have to bring the roads up to full county specs for just the SSA.
 - Bob: In the scope of the SSA proposals are we talking about repairing all roads, and dedication of the main roads
 - Jim: the original conversation was to dedicate the entrances and Heritage Drive, and the non-dedication of the remaining roads. There are some roads that have had a high level of reconstruction and go direct into maintenance, some just need patching and overlay, and some need complete reconstruction. Cul-de-sacs would not need to be expanded to meet county specs, and that's important.
 - Bob: On a timeline, I know you can't hold anyone to this, do you want to have educational meetings or proposals at the annual meeting?
 - Jim: The goal is that at the annual meeting some action will need to be taken.
 - Bob: I think everyone would agree we need to do something. I think that a tax through the SSA and some road fund increases are warranted. Obviously we have to get a yes vote in order to do it, and I understand the need to get out of the collection business, we have to do something. We know we have 15 culverts that are in that potential to collapse. It's much more expensive to repair a collapsed culvert than line one that is structurally sound.
 - Jim: I think from a salability standpoint, there has to be some flex within the proposal. The reality is how good of a road do you want, and how fast do you want it. In my time on the board, the second meeting I was at we had 2 culverts that failed and we had to come up with the money to pay for it. If it happened tomorrow we'd have to pay for it and something else wouldn't happen.
 - Bob: I've only been here a few years, but I do know that when the road fee went up \$40 last year, people balked at that and that was pittance compared to what we're talking about here. We have very reasonable fees, and although there are many members who don't believe that.
 - Jim: From the finance committee's standpoint, saleability and professional oversight are the most important.
 - Bob: I would like to see, within the proposal to the membership to have assessment as a potential solution or a contributing solution in conjunction with an SSA.
 - Jim: absolutely. At the end of this we are going to have data so we can make a recommendation
 - Bud: In the report that came with phase 1 on the culverts and ditches, at the last meeting phase 2 funding was approved. Herrman & Associates will perform a pavement design and provide cost estimates and specifications. Has that report been completed
 - Jim: I'd have to look at the document, but the plan was to go to the county to get

a general idea of what they would accept. The detailed specifications would come after that meeting. After that meeting, Herrman & Associates told us that they didn't feel it was beneficial to go forward with the full pavement design because it would end up being too expensive to get approval from the community anyway.

- Bud: So negotiate down to what will be acceptable.
- Jim: The assistant county engineer had originally indicated that he had felt it would not be necessary to go to the full county standards for the ditches and shoulders, his boss indicated that was off the table and not an option. That is what changed the direction of the contract with Herrmann.
- Bud: So why not get the design and go from there.
- Jim: There's no benefit, and that's the point. Our original indication was that was on option, Craig took that off the table. Therefore Herrman and Associates advised us it was not in our budget to move forward with what they were willing to do.
- Bud: So what is the point of pursuing it if they won't take anything less.
- Jim: We're not pursuing dedication. We're exploring the idea of moving forward with an SSA.

Board Chaired

- **Maintenance**

- We've had a much milder winter than last year, thank goodness. Plowing has gone very well.
- We've lost 4 stop signs, both ends of Westminster. We've put out safety drums with stop signs, and they've disappeared too.
- We've got several posts left from when the reflective signs were installed, we'll use those until we can set metal posts in the spring.
- Jim let me know the engineer had found several culverts that were completely filled in. The contractor gave us some ideas for getting it down.
- The sign at the boat ramp got knocked down, it has been reset
- Secretary Shake: Is there a plan to repair the dock at the boat launch.
 - Director Pirtle: Yes once the weather warms up and we get water back
- Jim Flynn: there was discussion about repairing the ramp itself. Is it low enough.
 - Director Pirtle: Our intention is to cut a ditch to the right, we're going to take out the high concrete pad and back fill gravel, and repair it to the best of our ability.
 - Shawn: I haven't gotten a chance to look at it since the lake is down.
 - Jim: I just remember that the last time the lake was naturally low, trailers has to be down so far they were on unsteady ground.
 - Director Pirtle: As the lake went down we did fill the ditches that had been wallered out this year.

- **Office Org.**

- Working on Annual meeting prep
- For members with unpaid fines, do we want to or can we even add those fines to their assessment mailings? Board consensus is go ahead.

- **Pool & Lodge**

- Pool
 - Getting bids to get it repainted in the spring.
- Lodge
 - Had a pump go out on the furnace
 - Had the floor polished, it didn't turn out so well so they are coming back to redo it

- **Administrative & HR**

No Report

- **Building & Zoning & Security**

No Report

- **Outdoor Amenities**

No Report

HLA Board Meeting January 19, 2015
Minutes

- **Website**
No report
- **Social**
 - Chili cook-off is scheduled for Saturday February 14, 5:30 pm
 - Has anyone seen the blue tote that has all the garland from the Christmas decorations?
 - Still looking for help with planning for the rest of the year
 - Easter egg hunt
 - Garage Sales
 - Pool Party
 - Fall Football
 - Halloween Party
 - Christmas Party

Unfinished Business

- **Fireplace Procedures**
 - Need to check with Rodney
- **Annual Meeting**
 - Intent to run letters due tomorrow
 - Date of record Wednesday 2/4 7pm
 - Will have files to be sent to attorney for review by 2/12, hopefully sooner
 - Mailing will go out after the next board meeting
 - Need final copy of Articles of incorporation from Dave/Marvin and what the details are on notification for that.

New Business

- **Repurchase lot 233, unit 4**
 - Director Weir: Mr Thompson had a lot that we sold in error that should not have been sold. He would like to be reimbursed for the trees. Approximately \$800. He's going to maintain the lot. It's right next to his house
 - No Objections made.

Open Floor for Members

- Shawn: I was curious about Director Buckowski
 - President Coan: He works evenings trucking.
 - Treasurer Waldorf: He is maintaining his duties outside the board meetings
 - Dave Riggert: When we instituted the code of ethics we previously discussed that there should be an attendance policy. I don't care what the reason is, but only making 3 out of 12 of the last meetings, it doesn't particularly bother me, but it should bother you guys I would think.
 - Director Weir: Part of the reason he was re-elected, was a lack of participation on the part of the membership. We have 2 open positions now and only 1 letter of intent to run.
 - Dave: Most of the membership doesn't know that, but you do what you need to do.

Executive Session

Motion By: Secretary Shake

Seconded By: Director Pirtle

Vote tally 4-0

Executive Session Adjournment

Motion By: Treasurer Waldorf

Seconded By: Secretary Shake

Vote tally 4 -0

Meeting Adjournment

Motion By: Director Pirtle

Seconded By: Treasurer Waldorf

Vote tally 4-0

Treasurer's Report January 19, 2015

All data presented is as of December 31, 2014.

The Total Cash Balance is \$479,878.71 and is made up of the following fund balances;

General Fund -\$73,755.39
Lake Fund - \$82,599.65
Road Fund - \$59,939.32
Emergency Fund- \$62,427.20
Lake Fund CD – \$100,884.42
General Fund CD – \$100,272.73

The outstanding receivables total is \$57,841.83 a decrease of \$7,996.34. For additional breakdown, please refer to the attached Balance Sheet.

The Year-to-date Net Income is \$123,171.28 with Revenues of \$418,446.01 and Expenses of \$295,274.73. Please see the attach Profit and Loss Statement for further detail. \$4,670 in insurance was recovered for the January 2014 damage to the lodge. There were no unusual expenses in December.

As for actual Cash details, for the month of November the cash deposits were \$13,093.80 and the cash expenditures were \$29,333.37. . Please see the attached monthly reports for further detail.

Finance committee update: The budget was approved as submitted at the December board meeting and the committee continues to monitor the business plan.

This concludes the treasurer's report for January 19, 2015.