

**United Lost Lake Property Owners Association  
Regular Monthly Board Meeting Minutes  
August 15, 2009**

The regular monthly meeting of the Board of the United Lost Lake Property Owners Association was called to order by President Finn at 9 a.m. on Saturday, August 15, 2009, at Lake Court Center. President Finn welcomed everyone in attendance.

**Attendance:** Mike Robinson, Sue Hill, Kay Chovanec, Don Finn, Crystal Pohlman, Rosslynn Shaw, Lois Lytle and Charlie Moore.

**Absent:** Mick Kazmerski.

**Guests:** (see **ATTACHMENT A**).

**MOTION TO ACCEPT AUGUST 15, 2009 AGENDA** (see **ATTACHMENT B**): Mike made a motion to accept the agenda, seconded by Lois. A voice vote was taken, and all present were in favor, none opposed.

**MOTION TO ACCEPT JULY 18, 2009 REGULAR MEETING MINUTES:** Mike made a motion to accept the July 18, 2009 regular meeting minutes, seconded by Crystal. A voice vote was taken, and all present were in favor, none opposed.

**MOTION TO ACCEPT AUGUST 5, 2009 EXECUTIVE SESSION MINUTES:** Mike made a motion to accept the August 5, 2009 executive session minutes, seconded by Lois. A voice vote was taken, and all present were in favor, none opposed.

**MOTION TO ACCEPT TREASURER'S REPORT** (see **ATTACHMENTS C**): Crystal explained July's expenditures and answered questions. Mike made a motion to accept the Treasurer's report, seconded by Sue. A roll call vote was taken, and all present were in favor, none opposed.

### **COMMITTEE REPORTS**

**ROADS:** Charlie reported that 4 quotes were received for the 3 miles of chip & seal work, ranging from \$41K to \$107K. At first, Charlie made a motion to accept the quote for \$61K from Jim George & Sons in Sycamore, seconded by Mike. After hearing testimony that Taylor Township was unhappy with various aspects of the work performed by Jim George & Sons, Charlie withdrew his motion. Charlie reviewed the other 3 quotes with the Board, and after a lot of discussion about pros and cons of each, Charlie recommended that the Board approve the quote for \$41K from JK French in Lanark. Charlie indicated that Polo Township and Ogle County Highway Department had used this company and they were very happy with their work. President Finn commented that this decision cannot wait until the September Board meeting, and getting the chip & seal work done requires a decision this month, as on or around September 15<sup>th</sup> oil would stop being produced. President Finn stated that even though the chip & seal work had been put on hold, pending the outcome of costs for the bridge repair, the money had been previously allocated and the Board should consider having the work done this year. Because the quote from JK French was submitted without an on-site inspection, it was recommended to have JK French do an on-site visit prior to any work commencing, to verify that \$41K is accurate.

**MOTION:** Mike made a motion to authorize Charlie to spend up to \$61K to chip & seal the 3 miles of road, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

Charlie stated he is waiting on quotes for replacement of the collapsed culverts on Timber Trail & Plum Court, the West Gate power supply problem is being worked on, and the pothole patch repair continues. Charlie thanked the Board for their approval on the chip & seal work.

**BY-LAWS:** Mike stated that the By-Laws Committee met and there were 4 motions that he requests the Board approve. Sue stated that pertaining to Article III, Section 6, our attorney was emphatic about having 6 votes to pass a special assessment, rather than the usual majority of 5.

**MOTION:** Mike made a motion that the paragraph entitled Special Assessment in Article III, Section 6 be reworded as follows: *"If the revenue does not meet the needs of the expenditures, the Board can levy a special assessment as needed. However, such action will require a 2/3 majority, six (6), vote by the Board of Directors and will specify the duration of the special assessment. In addition, the Board must hold a special or regular meeting of the Membership to justify the increase and the duration of the assessment"*, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion that the following sentence be relocated from under Special Assessment (*Article III, Section 6*) to the 2<sup>nd</sup> paragraph under Format for Establishing Annual Charges (*Article III, Section 6*): *"In the event the Membership does not approve the operational budget for the upcoming year, the prior year's Dues and Assessments will be enforced until a new budget is passed/approved by the Membership"*, seconded by Charlie. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion that the following sentence be added to the 1<sup>st</sup> paragraph under Format for Establishing Annual Charges (*Article III, Section 6*): *"There shall be a Dues and Assessments exemption for those persons on active military duty"*, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion that the following paragraph be added to Article VI, Section 5, entitled Director Proxy: *"In the event a Director knows in advance he/she will not be in attendance at a Board meeting, that Director shall be permitted to provide a written statement as to how his/her vote is to be cast on a specific motion"*, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

**RULES & REGULATIONS:** Mike stated that some property owners are upset regarding illegal dumping on vacant lots, so Mike reminded everyone about Sections 6.05 and 6.11 in the Rules & Regulations. Mike also reminded everyone of Section 6.04 in the Rules & Regulations regarding business/noise.

**SOCIAL LIAISON:** Lois reported that July's 5<sup>th</sup> Friday was successful, updates to the directory would be published in the newsletter, and the girls' softball team is doing well. The corn boil is at 4 o'clock today at Unity Park, with the 50/50 raffle proceeds going to the food bank. The 50/50 raffle proceeds from the pancake breakfast on September 19<sup>th</sup> will go to the Alzheimer's Memory Walk. Lois thanked the RCD and POA Boards for making the July volunteer appreciation picnic a success. Sue reported that in September, Senior Focus is having their 5<sup>th</sup> annual antiques road show by a certified appraiser on the 2<sup>nd</sup> Wednesday, costing \$1.00 per item, with a limit of 2 items.

**DUES & ASSESSMENTS REVIEW:** No report given (see *UNFINISHED BUSINESS*).

**ECC:** In Mick's absence, Mike reported that the ECC forms were revised/updated.

**SECURITY:** Sue reported that the security officers have spent a lot of time on two different community issues. One issue involves an empty house with mold on St. Francis, and efforts are being taken to resolve it with the Ogle County Health Department. The other issue involves people who fish in the lake that do not belong here, even though there has been a decrease in these numbers. Sue indicated that at some point in the future, consideration might be given to revoking the guest pass of one particular individual who does not obey the rules while in the community, but for now the problem seems to be resolved. The displaying of decals has increased, and the number of speeders has decreased. Sue reported that in the past week there were two incidents involving children driving golf carts, and Sue reminded everyone that a person needs to be 16 years old and have a driver's license in order to drive on our roads, and for everyone to watch their speed and stop at stop signs. Sue reiterated the RCD's new ruling that fishing at the Rec Center's dock is not allowed after 9 p.m.

**PARKS:** No report given.

**COVENANTS:** Sue stated that she and three of her committee members met with the Association's attorney, Phil Nye, who made both personal and legal recommendations to the committee. The committee incorporated these recommendations, and after a couple of more sections are worked on, the Covenants would be sent back to Phil Nye for review. Sue stated that Phil commented that these Covenants were eminently reasonable, and he could not see why people would be opposed to them.

**OFFICE ADMINISTRATION:** President Finn reported that the office would be closed to the public on Friday, and would only be open on Friday by appointment only.

**PROPERTIES AND MAINTENANCE:** President Finn recommended making small improvements to the office, costing less than \$500.00, by adding a counter in front of the office desk area with a swing door, using the old counter from the East Office.

**MOTION:** Mike made a motion to approve spending up to \$500.00 to make these improvements, seconded by Charlie. A roll call vote was taken, and all present were in favor, none opposed.

**LONG RANGE PLANNING (see ATTACHMENT D):**

**UNFINISHED BUSINESS:**

**MOTION TO ACCEPT DUES & ASSESSMENTS PROPOSAL:** President Finn stated that there would be no audience participation during this discussion, as there had already been a lot of property owner input via the special meeting, emails, comments and/or letters. However, at the end of today's meeting, questions would be entertained. President Finn stated that after the motion is made and seconded, and prior to Board vote, each Board member could state their feelings about the proposed dues and assessment structure. Each Board member gave a statement of support for the proposed dues and assessments structure, along with some of the difficult issues faced during the decision making process. In Mick's absence, Mike read a written statement of support from Mick.

**MOTION:** Mike made a motion to accept the following dues & assessments schedule effective January 2010: all property owners will pay a Membership Fee which will include different tiers, according to the number of lots owned. There shall be no difference between a lot with a home and any vacant lot. The base rate has not been decided. That is to be decided. Property owners of 1-2 lots will be assessed a base rate. Property owners of 3-4

lots will be assessed a base rate plus \$25.00. Property owners of 5-6 lots will be assessed a base rate plus \$50.00. Property owners of 7 or more lots will be assessed a base rate plus \$75.00, seconded by Lois. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION TO REVISE BY-LAWS:** Mike recommended to the Board that since the 2010 dues and assessments structure had been approved, the By-Laws be revised by removing the following two sentences from Article III, Section 6, page 3, under Format for Establishing Annual Charges which are no longer applicable: *"If a Member owns multiple contiguous lots, and has made improvements to said lots by the construction of a home crossing lot lines, the lots involved may be considered as a one-lot Membership. The reduction of the Member's financial obligation shall be determined by the Board of Directors upon written application of the owner(s)"*.

**MOTION:** Mike made a motion to remove the following two sentences from Article III, Section 6, page 3, under Format for Establishing Annual Charges: *"If a Member owns multiple contiguous lots, and has made improvements to said lots by the construction of a home crossing lot lines, the lots involved may be considered as a one-lot Membership. The reduction of the Member's financial obligation shall be determined by the Board of Directors upon written application of the owner(s), seconded by Sue.* A roll call vote was taken, and all present were in favor, none opposed.

**GATEHOUSE REPAIR:** President Finn asked Tom Wendling to give a report. Tom indicated that soon the split rail fencing would be installed in front of the newspaper kiosk, and the remaining 2 sections at the West Gate entrance would be done after the concrete pads have been removed. Sue reported that she received an email from a property owner making suggestions about the gatehouse signage, and she would pass the suggestions along to Frank Durkin. President Finn stated that a policy regarding what can or cannot be displayed on the community bulletin boards would be addressed. Charlie reported that the watering pump at the East Gate had been repaired by George Kersten.

**ELECTION COMMITTEE:** President Finn reported that the Election Committee would have their first meeting on August 21<sup>st</sup>. President Finn formally introduced the 8 of 9 candidates who were in attendance.

**MARTY PORTNER/VOLUNTEER CONTRIBUTIONS:** Marty reported that after meeting with his creative staff, they agreed to scale down the amount of size needed from the gatehouse picture window to an 18" x 18" permanent space on the kiosk. Marty presented to the Board a prototype, which would consist of the volunteer's picture and three major accomplishments made by the volunteer, to be displayed one week at a time. Details as to who would make the volunteer recommendations and any policy or criteria for selecting a particular volunteer could be formulated by the Board. Several Board members made suggestions, including obtaining permission from the volunteer prior to displaying their picture at the kiosk or utilizing the newsletter to recognize the volunteers. Marty stated that this endeavor would be done at no charge to the Association, which appealed to most, if not all, of the Board members.

**LAKESHORE IMPROVEMENTS:** President Finn stated that the \$20K previously allocated for the riprap project at Lakeside Park has not been spent, awaiting the outcome of the costs to repair the bridge. President Finn reported that the lake would be dropped in the fall, and this would be a great opportunity to get this project done, as each rain event causes more shoreline loss. President Finn asked the Board of their thoughts on whether to proceed, and

after discussion, it was felt that if more time elapses, it would only cost the POA more money. The hold on this project was lifted and will proceed as previously planned.

**WEST GATE LANDSCAPING:** President Finn stated this project is on hold until next spring.

**BABBLING BROOK BRIDGE UPDATE:** President Finn reported that the engineering firm responsible for the engineering work is Willett-Hofmann, and we are waiting on the repair work list from them. As soon as all the paperwork is in, bids can go out, and efforts will be made to expedite the repair work. It is anticipated that completion would occur before wintertime. President Finn stated that as soon as the total costs are known, the Board would approve a specific amount of money to be assessed as a one-time special assessment. President Finn further stated that he did not want to see the special assessment as any part of the yearly dues and assessments, and if necessary, a special meeting could be held to approve the special assessment.

**POSSIBLE SALE OF EAST OFFICE:** President Finn stated that there is an interested buyer for the East Office, and a formal appraisal by a licensed appraiser would be performed. Selling the East Office would be in line with the Long Range Planning Committee's goals.

#### **NEW BUSINESS:**

**COLLECTIONS** (see **ATTACHMENT E**): Crystal additionally stated that efforts were made to save the POA money by filing small claims cases ourselves; however, due to the fact that we are a corporation, the law states that we cannot represent ourselves, and we must have attorney representation. President Finn stated that we want to keep up collections so that we do not end up with the collection problems from a few years ago.

**SPEEDING VIOLATION:** Sue stated that a warning was issued on July 17<sup>th</sup> and mailed to a resident who was clocked at 32 mph. On July 23<sup>rd</sup>, 6 days after the first warning, the same car/license # was clocked going 28 mph and up to 31 mph before finally slowing down. Sue recommended that the Board approve a motion to issue a \$25.00 fine.

**MOTION:** Sue made a motion to issue a \$25.00 fine for the 2<sup>nd</sup> offense occurring on July 23<sup>rd</sup>, seconded by Charlie. A roll call vote was taken, and all present were in favor, none opposed.

**BUDGET 2010** (see **ATTACHMENT F**): President Finn stated that after the Board approves the 2010 budget, it would be available on our website, and also would be mailed with the Annual Meeting notice and ballot, to be voted on by the members at the Annual Meeting. President Finn reminded everyone that the 2009 budget was approximately \$285K, and the income was much less at \$236K; however, the income shortfall was made up by the foreclosure properties that were sold. Crystal explained the 2010 budget, and answered several questions from the Board members.

**MOTION:** Crystal made a motion to approve the 2010 budget as presented, seconded by Mike. A roll call vote was taken, and all present were in favor, none opposed.

**ADJOURNMENT:** Mike made the motion to adjourn, seconded by Lois. A voice vote was taken, and all present were in favor, none opposed. Meeting adjourned at 11:05 a.m.

**SUMMARY OF MOTIONS MADE BY THE  
UNITED LOST LAKE POA BOARD OF DIRECTORS  
AUGUST 15, 2009  
(Page 1 of 2)**

**MOTION:** Mike made a motion to authorize Charlie to spend up to \$61K to chip & seal the 3 miles of road, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion that the paragraph entitled Special Assessment in Article III, Section 6 be reworded as follows: *"If the revenue does not meet the needs of the expenditures, the Board can levy a special assessment as needed. However, such action will require a 2/3 majority, six (6), vote by the Board of Directors and will specify the duration of the special assessment. In addition, the Board must hold a special or regular meeting of the Membership to justify the increase and the duration of the assessment"*, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion that the following sentence be relocated from under Special Assessment (*Article III, Section 6*) to the 2<sup>nd</sup> paragraph under Format for Establishing Annual Charges (*Article III, Section 6*): *"In the event the Membership does not approve the operational budget for the upcoming year, the prior year's Dues and Assessments will be enforced until a new budget is passed/approved by the Membership"*, seconded by Charlie. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion that the following sentence be added to the 1<sup>st</sup> paragraph under Format for Establishing Annual Charges (*Article III, Section 6*): *"There shall be a Dues and Assessments exemption for those persons on active military duty"*, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion that the following paragraph be added to Article VI, Section 5, entitled Director Proxy: *"In the event a Director knows in advance he/she will not be in attendance at a Board meeting, that Director shall be permitted to provide a written statement as to how his/her vote is to be cast on a specific motion"*, seconded by Crystal. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion to approve spending up to \$500.00 to make these improvements, seconded by Charlie. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Mike made a motion to accept the following dues & assessments schedule effective January 2010: all property owners will pay a Membership Fee which will include different tiers, according to the number of lots owned. There shall be no difference between a lot with a home and any vacant lot. The base rate has not been decided. That is to be decided. Property owners of 1-2 lots will be assessed a base rate. Property owners of 3-4 lots will be assessed a base rate plus \$25.00. Property owners of 5-6 lots will be assessed a base rate plus \$50.00. Property owners of 7 or more lots will be assessed a base rate plus \$75.00, seconded by Lois. A roll call vote was taken, and all present were in favor, none opposed.

**SUMMARY OF MOTIONS MADE BY THE  
UNITED LOST LAKE POA BOARD OF DIRECTORS  
AUGUST 15, 2009  
(Page 2 of 2)**

**MOTION:** Mike made a motion to remove the following two sentences from Article III, Section 6, page 3, under Format for Establishing Annual Charges: *“If a Member owns multiple contiguous lots, and has made improvements to said lots by the construction of a home crossing lot lines, the lots involved may be considered as a one-lot Membership. The reduction of the Member’s financial obligation shall be determined by the Board of Directors upon written application of the owner(s), seconded by Sue.* A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Sue made a motion to issue a \$25.00 fine for the 2<sup>nd</sup> offense occurring on July 23<sup>rd</sup>, seconded by Charlie. A roll call vote was taken, and all present were in favor, none opposed.

**MOTION:** Crystal made a motion to approve the 2010 budget as presented, seconded by Mike. A roll call vote was taken, and all present were in favor, none opposed.