

UNITED LOST LAKE PROPERTY OWNERS ASSOCIATION  
BOARD MEETING MINUTES  
May 10, 2008

Call to Order

In the absence of Tom Wendling, President, the meeting was called to order by Don Finn, Vice-President at 10:34 a.m.

Attendance:

Don Finn	Crystal Pohlman
Sue Hill	Sandy Lewis
Lois Lytle	Marilyn Mancini
Mike Robinson	

Absent:

Tom Wendling  
Mick Kazmerski

Motion to Accept Agenda:

Mike Robinson stated that something occurred in the Lost Nation meeting regarding a draft letter that they suggested be brought over to the United Lost Lake POA to make a decision on so he would like to add that to New Business. Marilyn Mancini stated that she would like Dues and Assessments added to the agenda and Crystal Pohlman requested that office supervision be added to the agenda. Sandy Lewis requested that Mr. Herlehy's offer be added to the agenda. Mike Robinson made a motion to accept the agenda with the current changes. Crystal Pohlman 2<sup>nd</sup> the motion. This motion was put to a roll call vote with the following results: Voting yea – Crystal Pohlman, Mike Robinson, Lois Lytle, Don Finn, Sandy Lewis, Marilyn Mancini, Sue Hill. Voting nay – none. Motion unanimously approved.

Motion to Accept Minutes:

A motion was made by Mike Robinson to accept the April 12, 2008 Board Meeting Minutes. Lois Lytle 2<sup>nd</sup> the motion. This motion was put to a roll call vote with the following results: Voting yea – Crystal Pohlman, Mike Robinson, Lois Lytle, Don Finn, Sandy Lewis, Marilyn Mancini, Sue Hill. Voting nay – none. Motion unanimously approved.

Treasurer's Report:

Crystal Pohlman stated that since Sandy Lewis will be doing other things, Crystal would be retained as the treasurer for the United Lost Lake Board. Crystal stated that there are no financials yet but she did want to state that they are in the process of getting some financials together and have had meetings with the CPA firm. Crystal stated that they will be opening new bank accounts but will have to wait until the New Landing meeting in order to get the ball rolling. She asked who the signers are for the Lost Nation Board and also who will be signing the checks for the new board. Don Finn stated that they do not have any information at the moment but the current signers probably will have to be reviewed since some of the signers that were on the boards may not exist now. Don Finn suggested that a note be made of this issue and brought to the next planning meeting. Crystal stated that the accounts will be established before the next board meeting and she needs to know who will be signing. Two signatures are required for each check. It was determined that Tom Wendling, Don Finn, Sue Hill, Crystal Pohlman and Sandy Lewis will be the official check signers.

Crystal stated that 22 lots have been sold at New Landing and have been closed on. There are six left to close on and she hopes to have that completed by the end of May. There are three lots remaining in the foreclosure process that will hopefully be done in July. Information on the New Landing ECC accounts – they have only one deposit left to return and have contacted that person to see when they would be ready to do that. Unfortunately, they will not be ready until June or July. New Landing's reserve is approximately \$42,000 and New Landing has budgeted \$9,000 to be put into the reserve this year, which will bring them up to \$52,000.

Sandy Lewis thanked Frank Durkin for the new ULLPOA community maps he created.

Marilyn Mancini asked when they could expect a balance on the financials such as checks, etc. Crystal stated that she is hoping to have a 7/12ths budget ready soon. If everything works with Quickbooks and they get the new chart of accounts compiled, she is hoping to have a budget and some type of financial statement for the next meeting.

### **New Business:**

Sign Quote for East Gate: Don Finn explained that two bids have been obtained for the sign work for the east gate. One bid was for \$5,200 from the company that did the original sign for the west gate. The 2<sup>nd</sup> bid was for \$7,500. Don then asked for a motion to accept a bid for the sign. Mike Robinson made a motion to accept the \$5,200 bid for the sign. Lois Lytle 2<sup>nd</sup> the motion. John Mulholland from the audience stated that he was opposed to updating the sign since the east gate sign is more rustic and the new one would be too modern. He felt it would take away from the rustic look at the east gate. Joe Gargano stated he was also opposed and suggested that they may want to contact Bill Sharp who may be able to do two new signs for much less than \$5,000. Joe felt it was an exorbitant amount of money and concurred with John in reference to the style of the design. Crystal Pohlman suggested that since they will be remodeling the gatehouse on the west side and want it to look more like the Lost Nation gatehouse, would there be a conflict in the two different styles of signs. Marilyn Mancini stated that this is perhaps a little too much too soon with road repairs and the paying off of outstanding debt, she felt this issue should be tabled until the October meeting of the community. Mike Robinson retracted his motion and Lois Lytle withdrew the 2<sup>nd</sup>. Don Finn stated the sign issue will be tabled and no decision will be made at this time.

Lot Trade: Sandy Lewis explained that Lost Nation acquired by default lot #12 in section 7, Cottonwood Court. Sandy explained that back taxes were paid by Lost Nation and dues and assessments were written off. She explained that the lot adjoining the New Landing Office is an un-buildable lot with a ravine and that the Association could eventually fill in the ravine over time with excess dirt and gravel from projects around the area. She recommended that the Board contact that lot owner to see if he would be willing to trade this lot next to the NL Office for the one on cottonwood court. As an added incentive, we would absorb his dues and assessments through 2008. Crystal Pohlman made a motion to contact the owner of the lot next to the office on Missouri and that we offer him a trade for the lot on Cottonwood. Mike Robinson 2<sup>nd</sup> the motion. This motion was put to a roll call vote with the following results: Voting yea – Crystal Pohlman, Mike Robinson, Lois Lytle, Don Finn, Sandy Lewis, Marilyn Mancini, Sue Hill. Voting nay – none. Motion unanimously approved.

Mowing Contracts: Sandy Lewis explained that the roadway mowing will be done by Wes Wright who did the snow plowing and will be done about four times a year. Mr. Myers and his sons will do the parks, offices and gates for \$11 and \$12 respectively and they will be using the

RCD mower, which will be leased to the association for \$8.25 per hour. Mike Robinson asked whether it would behoove us to purchase our own mower. Sandy stated that it would be in the future. Crystal Pohlman stated that the only bid we received for the road mowing was from Wes Wright. Sue Hill stated that if anyone sees anything that could be done differently or could be done better, they should call Sandy or herself and let them know since this is a learning experience for the Association. John Mulholland stated that he thought the Myers had done an excellent job so far from what he has seen. Sue Hill stated that Gallatin River should be called to bury the phone cable at the East Office so the cable is not mowed over.

Bank Choice: Crystal Pohlman explained that we are considering staying with Community State Bank (CSB) since both POA's are currently at that location. But before she actually opens that new account she would like to look into a few other locations to check out interest rates to make sure this is the appropriate change to make. She plans on starting a checking account and a money market account. Crystal stated that the reason to do it this way is that most of the deposited funds will go into the money market account, which will keep the balance as high as possible and this will receive the highest interest rate. The checking account will just be given money from the money market account only when necessary to reinforce it. Sandy stated that if we do go with CSB she would highly recommend that they place an ad in our newsletter. Sue Hill also suggested that Crystal look into their premier savings account since it may yield a higher interest rate than the money market account.

Crystal stated that she met with the CPA's and they recommended that we end the two POA's financials as of May 31, 2008. A final tax return should be done for Lost Nation and that New Landing's tax return be done for 2007-08 fiscal year. At this point, all financials will be under the jurisdiction of the ULLPOA. They also requested that we provide two years of tax returns, Articles of Consolidation, and needed more information on the FEIN, etc. She stated that we will be using accrual based accounting system. As far as property appraisals, they will not have to be done all at once and monies can be budgeted each year for appraisals to be done on our properties so we will get a full idea of what our POA's are worth over time.

Crystal stated that there is no need to purchase a new QuickBooks program since we can do what we need to with the ones we have. Both offices are using the same program and items can be imported and exported to make it work for us. The CPA's stated that we do not need to do an audit. We will start with a new baseline on our financials and that would mean periodic reviews on the financials. The CPA's stated that an audit would be very, very expensive. Crystal stated that we could have a review of the financials every two or three years.

Mortgage Pay-Off (Lost Nation Office): Marilyn Mancini questioned since interest rates are so low, might it have been better to not pay off the mortgage. Crystal stated that it was suggested by the CPA's to pay off the mortgage, but was not a requirement. However, it was discussed at the last planning meeting and it was decided to go forward so there would be no debt to start out the new board.

Dues & Assessments: Marilyn Mancini stated that as far as the dues and assessments go, as they are looking at putting together the By-Laws that is a big portion of the By-Laws. She stated that membership dues are at \$25.00. She stated that there are three boards, the RCD, which is a taxing body, the Utility Board which everyone has been sent their availability/demand fees on all lots, and she felt that with the new association, we need to do away with the contiguous lots and make everything the same. There have been two separate associations with two separate dues structures. Marilyn stated that Sue Hill had brought something up to the committee as far as looking at ways of basing assessments on square footage. She felt that the process needs to be

made more uniform whether it be based on square footage or a very simplistic mode like New Landing has where you pay on your lot and your dwelling and any contiguous lot that's undeveloped and is saleable in the future gets a standard price. Crystal Pohlman made a motion that we consider revising the By-Laws for the calculation of dues and assessments for fairness and equity for all. Sandy Lewis 2<sup>nd</sup> the motion. Crystal Pohlman stated that it was her understanding that there would not be any changes to dues and assessments for 2009. She wondered if we could work on this after all the rules and regs are done and if we can get it done for the annual meeting that would be fine, but could it be set aside for a little bit because 2009 dues and assessments are supposed to stay the same. Marilyn stated that 2009 should stay the same, but as we unify the community we have two different dues and assessment structures, one side paying at a higher rate than the other side. Crystal stated that the revision of this issue doesn't need to be done for the annual meeting since we're not going to have new dues and assessments until 2010. Don Finn stated that this motion does not have a time date on it and stated that this is a very complex situation and it needs to be addressed. In the end, we want to have a fair and equitable method of assessing dues so there is no discrimination or differences as they are now. Sue Hill stated that the committee felt if the Board is not in favor of this at all, they would not waste their time on this any longer. Marilyn stated that it could be very simplistic and since the budget committee needs to come up with an operations number they could take it from there. Don Finn brought an end to the discussion and stated that they needed to vote on whether to pursue this issue. This motion was put to a roll call vote with the following results: Voting yea – Crystal Pohlman, Mike Robinson, Lois Lytle, Don Finn, Sandy Lewis, Marilyn Mancini, Sue Hill. Voting nay – none. Motion unanimously approved.

Draft of Violation Letter: Mike Robinson explained that mentioned in the last Lost Nation meeting, we came up with a draft letter and the decision at that meeting was that rather than have Lost Nation consider it and vote on it, to bring it to the United Lost Lake Board for their approval. Sandy Lewis read the draft letter for all to hear. After some discussion regarding the legalities of this letter, it was decided to table this issue until a later date.

Office Supervision: Crystal Pohlman stated that there are many issues to be looked into regarding coordination and a smooth transition and she would like to take on the responsibility of supervising the two offices. Marilyn Mancini asked if Crystal would be putting together job descriptions and plans for each of the offices. Crystal stated there are job descriptions and they would be discussed during today's executive session meeting. She stated that she would be reporting back to the Board if there were any issues. Don Finn stated that he didn't feel any vote was necessary for her to take on this position since this is administrative.

Herlehy Violation – Offer: Sandy Lewis explained that Mr. Herlehy came to her after the Lost Nation meeting. Mr. Herlehy has offered to pay the legal bills from 10/31/06 through 12/6/07. On 12/6/07 he made the offer of \$1,000 to settle but the Lost Nation Board declined that offer. The offer made was for \$1,975.00, which will take care of our attorney's fees through 12/6/07 but will not take care of the fines. Total legal fees to date are \$2,490.00 and does not include fines. The fine fees are \$1,245.89. To date, the total in legal fees and fines are \$3,900 plus change. She asked for input from the Board or the audience. Crystal Pohlman asked if we would be guaranteed he would not be bringing the bulldozer back into the community. Sandy stated that this was part of the settlement offer and would be on the agreement. One of the audience members stated that he agrees that we need to move on with this issue rather than spend more on attorney fees. Another audience member stated that the monies he is paying should be applied to his fines first and the remainder should go towards attorney fees. Sandy Lewis stated that this could be done. Sandy Lewis made a motion that if Mr. Herlehy offers to give us \$1,975.00 as settlement of the fine, legal, bulldozer situation, that we accept those monies and

apply them to the fines and any remaining monies be applied to legal fees. Mike Robinson 2<sup>nd</sup> the motion. This motion was put to a roll call vote with the following results: Voting yea – Crystal Pohlman, Mike Robinson, Lois Lytle, Don Finn, Sandy Lewis, Marilyn Mancini, Sue Hill. Voting nay – none. Motion unanimously approved. The \$1,975.00 was a figure that was proposed to Mr. Herlehy, we (the ULLPOA) are awaiting his decision to accept/and pay (by 6/30/08) that amount.

### **Committee Reports:**

Environmental Control Committee: None

Security Committee: The Security Report was read earlier by Dave Strasemeier.

Utility Committee: The Utility Report was read earlier by Mike Robinson.

Social Committee: The Social Committee Report was read earlier by Cyndi Cantrell.

Parks Committee: The Parks Committee Report was read earlier by Sandy Lewis.

Roads Committee: Don Finn stated that we have gathered up everything needed to move forward with the roadwork. The company we are going to use is UC Paving, Inc., out of Peru, IL. They are doing the roadwork for Taylor Township and they agreed to give us the same price for roadwork as they are giving Taylor Township and will do it at the same time they bring their equipment up here in roughly three weeks. They also will do the patchwork for the potholes prior to the chip and seal. Don stated that he and Jerry Skyles have identified the roads that need chip and seal and have all been measured amounting to 2.8 miles of roadwork. This amounts to 36,000 square yards for chip and seal work at \$1.25 per square yard. He stated there is a section of road on Birch that has to have the bed dug up and new rock placed. UC Paving will take care of that and there is also a section on Green Ash that will be taken care of. Money has been budgeted from the two associations to cover this – up to \$60,000. The speed bumps will be repaired at the same time. Don also stated that there would be some grading along the road to help with drainage.

Rules & Regs/By-Laws Committee: Marilyn Mancini stated that the committee has been meeting on a regular basis and will be stepping up their meetings and they are making headway.

Sandy Lewis made a motion to request that the ULLPOA temporarily suspend all variance requests on contiguous lots until the By-Laws Committee has re-assessed the dues and assessments structure and comes back to the Board with a recommendation for dues and assessments structure. Crystal Pohlman 2<sup>nd</sup> the motion. This motion was put to a roll call vote with the following results: Voting yea – Crystal Pohlman, Mike Robinson, Lois Lytle, Don Finn, Sandy Lewis, Marilyn Mancini, Sue Hill. Voting nay – none. Motion unanimously approved.

Lois Lytle made a motion to adjourn the meeting at 12:00 noon. Crystal Pohlman 2<sup>nd</sup> the motion. Motion approved.

