

December 4, 2018 Meeting of Sunset Lake Association Board of Directors- APPROVED JANUARY 8, 2019

I. Call to Order, President Wilken- 7:00pm

II. Pledge of Allegiance, VP Johnson

III. Roll Call (Sec. Walkenbach)

Joyce Munie, present

Sue Muschong, present

Mark Severns, present

Gary Wilken, President, present

Deb Martin, Treasurer, present

Thane Johnson, Vice President, absent

Dennis Denney, present

Amy Walkenbach, Secretary, present

Randy Smith, present

V. Old Business

a) November 13, 2018 Board Meeting, approval of minutes

- Move to approve Joyce Munie, second by Sue Muschong. Motion passes

b) Assessments, delinquencies, foreclosures - Treasure Martin. Update given, banks still working through the process for foreclosures.

c) 2019 Budget Treasurer Martin. The 2019 Budget passed in the earlier (December 4, 2018 6:30pm special called meeting).

VI. Reports

a) Water Safety, VP Thane Johnson. No water report

b) Building & Construction, Sue Muschong. Working with a couple of leaseholders to get boat dock permit, a total of four should be coming in for approval.

c) Dam, Roads & Grounds, Mark Severns. Now that the 2019 Budget has passed we will be moving forward on an RFP for the spillway work that must be completed. Have been working on road patching throughout Association property. We realize the weather has been crazy this fall and significantly hindered leaf removal. Please work to keep up with leaves on your property.

d) Finance & Insurance Committee, Treasurer Deb Martin. See attachment 1, November Financials

e) ByLaws, Rules & Regulations, Joyce Munie. Nothing to report

g) Sanitation, Randy Smith. Nothing to report, still trying to get caught up with the Committee responsibilities.

h) Lake Management, Secretary Amy Walkenbach. An email was sent to several leaseholders recently with an attachment that was characterized as an Illinois Department of Natural Resources report. A follow up call was made to our IDNR Fisheries Biologist to determine whether or not the report indeed was provided by IDNR. IDNR responded by email that the report was not from IDNR and that it contained only some of the information needed to determine whether or not to drawdown a lake. Apologies if Ron Rice felt that the follow up email to membership clarifying the situation was taken as a personal attack, it was not meant in that manner, only as a clarification for membership.

A farm lease has been negotiated by SLA and Lake Management Committee member Steve Dudley and the farmers who have farmed our property in the recent years without a formal lease. The lease states that the farmers (Gary and Ron Hays) will pay SLA \$5,400/year in two installments (one prior to planting, one after harvest), the lease has the option of annually extending the lease by one year for up to three years. The lease was provided by University of Illinois Extension Office as a generally accepted lease format. The rent will be approximately \$220 per acre, lower than the Illinois average but this is not highly desirable land and it's a very small tract. Also, of note the farmers asked that if members must put leaves in the field they must be spread out very thinly, the leaves change the chemical nature of the soil and his equipment can't reach the soil if they are piled even a little.

- Motion to approve the lease, Treasurer Deb Martin, second by Joyce Munie. Motion passes.

i) President's Report, President Gary Wilken. It has been a very difficult and hurtful 10 months. Friends and neighbors have stopped talking to each other, and a few are spreading rumors and posting derogatory comments about past and present Board members. An audit of 2017 Financials has been completed and finding and recommendations have been received and started to be implemented. None of this Board were sitting here one year ago and certainly not in the past six years. We have been handed a first-class mess. We have attempted to review, react and address the various problems we have inherited. Some of the action that we are legally required to do have met with resistance and outright accusations as well as verbal and written attacks on individual board members. Please understand we are not the problem, we are trying to assist in fair and legal resolutions. Change is difficult and often resisted, but please know we are doing our very best to bring this Association and its membership back to a caring, hospitable community. It is time to HEAL. Our past President and current Treasurer, Deb Martin, has worked tirelessly for the past six months, probably working 30 or more hours per week. We appreciate all of her time and expertise in trying to lead us to a place where we can quit looking back and focus on our future together. No one on this Board signed up to work full-time on behalf of the Association, but that's what Deb, Amy, Thane and I have been required to do in order to address past issues. Be patient, we are doing our very best.

Let me attempt to update you on the most time consuming issues we are trying to address.

1) Firehouse: We are addressing two issues. One is the Lease Agreement which it has been determined was not executed per SLA By-Laws and as written may be against the law. The BODs have a letter to the Girard Fire Protection District on November 2, 2018 but have received no response. We are optimistic with a few changes in the language we will be able to resolve this issue. The other issue came from the 2017 Audit which found some accounting issues regarding accounts receivable and depreciation that are in conflict with the language of the current lease. This led to a review of the finances and payments during construction. The BOD has a fiduciary responsibility to the membership to present our findings and let the legal process resolve these issues. (NOTE: added by John Earley, Girard Fire Protection District received the letter, forwarded it to their legal counsel who has reached out to SLA legal counsel).

- 2) Multiple Lot Assessments: The BOD has reviewed all leaseholder files and executed leases. We will soon be contacting each leaseholder that holds multiple leases but not paying assessments on all of them.
- 3) Septic Tank & Riprap Escrows: BOD would like to remove the SLA as the middleman in leasehold transfers and let the buyer/seller/title company/lending institution/realtors address these issues prior to closing. Proposed Rule 39 changes which will be addressed in new business is an attempt to clarify how the process could change.
- 4) Fireworks: We have asked Norm Brand and his committee to address fund raising and firework contracts. Currently there is about \$3,000 in the fund. Donation target is \$16,000, so the hill is steep. Fireworks are scheduled for Saturday, July 6th with the 7th the rain date.
- 5) Lake lowering and dredging: The lake will be lowered to 4.5 to 5.0 feet below normal pool elevation. Dredging bid costs will be secured to determine extent of possible dredging and schedule.
- 6) Spillway repair contract: An RFP for spillway repairs will be developed and sent to qualified contractors. Bids will be reviewed and if acceptable approved in Feb/March with construction work to begin in April with a proposed completion date by June 1, 2019.
- 7) Nilwood Water: A permit application must be filed with Nilwood Water for any new construction on a previously empty lot. They are reaching full capacity on their supply system.
- 8) Request for information: Due to the current and pending legal issues all request for information from SLA files must be directed to the SLA attorneys for review and response.
- 9) Future Meetings: will include a listing of all bills paid and checks written for the preceding month. We will also be modifying the agenda so that Membership and Guest Recognition is scheduled immediately after roll call.
- 10) There are about 10 lower priority, yet significant issues that the BOD is addressing but I think you probably heard enough and are now as confused as I am.

VII. New Business

a) Member resignation. President Wilken announced that long time Board Member Bill Urban has resigned his position from the BOD. We very much appreciate the dedication Bill has given to the BOD, especially his work on the lake as water safety, security. President Wilken has asked Dennis Denney to fill Bill's position.

b) Proposed Rule Changes (see attachment 2 Proposed Rule Changes)

i) Section 5- Boats

- Sue Muschong moves to accept changes as proposed, second by Secretary Walkenbach. Motion passes.
- Vice President Johnson moves to table the motion, second by Joyce Munie. Motion passes, aye=8, nay=1.

ii) Section 32- Fines

- Joyce Munie moves to accept changes as proposed, second by Mark Severns. Discussion followed including clarifying "30 days" from what.
 - Motion passes, aye=7, nay= 2

iii) Section 39- Requirements to Transfer Property or Modify Ownership of Leasehold

- Joyce Munie moves to accept changes as proposed, second by Treasure Martin.
Discussion follows including renumbering this Section and look to clarifying sand filter language when a leasehold moves from full time to part time residence.
 - Motion passes.

VIII. Transfers- None

IX. Board Comments

Secretary Walkenbach - a big thank you to Barb Grissom and Millie Burgess for running the voting at our Special Called meeting for the 2019 Budget that was held earlier this evening.

Joyce Munie - We still have raffle tickets for the fly rod that was donated by lake resident Harold Bly. The winning ticket will be pulled after this meeting.

Treasure Martin - Thanks to all who have stepped up and agreed to sit on the Finance Committee.

Dennis Denney - I am happy to step up to the Special Events Committee and help the BOD out in any way I can.

X. Membership and Guest Recognition

Marty Crews, Lot 78 - I thought a lot about my vote for or against the 2019 Budget. I voted yes because the problems a no vote would have caused. I wanted to vote no because I do not believe this BOD is aggressively going after missing money.

- President Wilken responded that he has heard this rumor is out there and he doesn't know where it's coming from or why. The BOD has continued to move forward on audit findings.

Janet Frey, Lot 243 - Where is Jimmy (Wilson)?

- President Wilken responded that he is still employed but on administrative leave. Additionally the seasonal help that was hired will be done at the end of December.

X. Adjourn

- Dennis Denney moves to adjourn, second Joyce Munie. Motion passes, 8:40pm

Winning ticket for the Fly Rod: Ken Jones! Congratulations

Respectfully Submitted,

Amy Walkenbach