

SUNSET LAKE ASSOCIATION

AGENDA

June 7, 2005 7:00PM

CALL TO ORDER

ROLL CALL

VISITORS

SUPERINTENDANT'S REPORT

OFFICE MANAGER'S REPORT

APPROVAL OF THE MINUTES OF MAY 3, 2005

APPROVAL OF BILLS PAID FOR MAY 2005

COMMITTEE REPORTS:

AQUATIC CONTROL & WATER SAFETY	- JOHN MUNCHALFEN
BUILDING & CONSTRUCTION COMMITTEE	- GEORGE TOEPFER
DAM & GROUNDS COMMITTEE	- JOHN EARLEY
FINANCE COMMITTEE	- CHERYL STINE
LEGAL & INSURANCE COMMITTEE	- KATE STEIGERWALD
ROADS COMMITTEE	- BOB SONS
SANITATION, SHORELINE & BOAT DOCKS COMMITTEE	- RICK WHITEHEAD
WATER QUALITY & CONSERVATION	- STEVE KOLSTO

OLD BUSINESS - Sesquicentennial Celebration - Float

NEW BUSINESS - Girard Sesquicentennial Banner - \$80.00

TRANSFERS - #59 James & Mary Pickett to Kenneth R. & Janice M. Deihl *
#117 Charles & Roxine Burch to Anthony R. Paquette *

ADJOURNMENT -

*Upcoming Transfer

**SUNSET LAKE ASSOCIATION
MINUTES OF THE MONTHLY MEETING
JUNE 7, 2005**

CALL TO ORDER: President John Schwandner called the meeting to order at 7:00 p.m. Also present for the meeting were Bob Sons, Cheryl Stine, Steve Kolsto, George Toepfer, John Munchalfen, Rick Whitehead and Kate Steigerwald. John Earley was absent.

VISITORS: Jim Seggelke #9B, Mel Lomelino #197, Ray Reardon #256A, 257, Jim Dorr #284 and Ed Snell #286

SUPERINTENDENT'S REPORT: Bill Hohimer stated next week they'd start the work at the bridge; riprap has been delivered. Bill said we'd be doing culvert and drain work next week also. Bill stated Maquire was going to do some work on Elm & Cherry putting a pipe in and taking water to lake. Bill noted we plan to put in a culvert on East Lake Drive and we're also going to do something with VanHuss' problem. Bill noted black patch would be done June 22nd and we're oiling the roads July 7th (so far there are 3 driveways). Bill stated he'd been mowing and trimming; he also picked up a dead fish 4ft. long. Bill said Rural Electric cut down two trees for him.

OFFICE MANAGER'S REPORT: Kyla Tanner stated she put 25 Rules and Regulations Booklets together and worked on the map for the garage sale. Kyla noted she worked several days on Peggy & Michell Smith, Lot #130 that has gone back to the bank. Kyla said she sent out several letters regarding lawns needing to be mowed, had 1 orientation and prepared transfer papers. Kyla noted she received a call from Carol Paisley, #153 wanting to get a 1-day pass for a friend to bring his pontoon boat on the lake. The Board stated they were not in favor of this. Bill said Kyla put together a list of all the roads and measurements so when he's oiling it's together on one report making it easier.

APPROVAL OF MINUTES OF MAY 3, 2005: A motion to approve the minutes of the May meeting was made by Cheryl Stine and seconded by John Munchalfen. Motion passed unanimously.

APPROVAL OF BILLS PAID FOR MAY 2005: Cheryl Stine stated the bills paid for May were normal monthly bills.

Upon a motion by Steve Kolsto and seconded by George Toepfer, the Board voted unanimously to approve the bills paid for May.

COMMITTEE REPORTS:

AQUATIC CONTROL AND WATER SAFETY: John Munchalfen stated on Memorial Day there were a few paddleboats in the middle of the lake and also a canoe. John said there was a boat going too fast on the east end. John said he spoke to a few of these members and also other board members talked to them about what they can and cannot do. John noted there was a boat with a skier that sprayed with his slalom ski, just drenched another boat. John said he witnessed this and talked to the members that got drenched and then to the members doing the skiing. John said it was a dad and son duo skiing but the dad apologized for his son's action. John said he then went back to talk to the men that got sprayed and at this time we're not going to pursue this any farther. John said if the members who got sprayed wanted something done he'd be glad to deal with it. John said he's been going around checking boats to see if they have stickers on them; started at Lot #1 and has made it to Lot #150; just leaving reminders if they don't have stickers on. John said we had Dept. of Natural Resources here June 2nd to shock the lake. John said they started around Lot #218 and went over to the boat ramp area, then farther from there. John said Jeff Pontnack was here and this was the 3rd time he actually shocked this lake. John noted Jeff felt the fish were healthy and was impressed with the amount of fish that were there. John said what was surprising to him was the size of the fish; there were quite a few large fish (5lb, 9 ounce bass was the largest). John said we had quite a few big catfish taken along the bank. John stated the usual counting, weighing, and measuring was done; he videotaped it and will make a few copies for those that would be interested in seeing it. John noted Jeff did not think we needed to stock the lake this year, he felt there was plenty of fish but if we had money to burn we could add walleye. John stated he asked Jeff about the adding of weeds; Jeff was here when the lake was shocked 10 years ago, 5 years ago and now. John stated according to Jeff, 10 years ago the lake was clear, 5 years ago starting to discolor and this time it's still discoloring a little but nothing to be concerned with. John said as far as the weeds, Jeff still likes the water willow and suggests gathering groups of it from established areas on the lake and introducing it to other areas; it will only grow to a 3' depth. John stated Jeff would get us his report sometime around Christmas. John said Jeff's recommendation on stocking of the fish is very minimal; there is a budget concerning this but at this time he was not applying it. John noted he could also use it for weeds or aquatic plants but again was going to hold off on this. John Schwandner said Lot #129 has an orange canoe on the bank that does not have a sticker; John said he'd check on this.

BUILDING AND CONTRUCTION COMMITTEE: George Toepfer stated he's received two building permits; Mark Woodson, Lot #287 for a deck around the house and Nancy Govert, Lot #57 for sidewalks. George noted the sidewalks permit has already been cleared.

DAM & GROUNDS COMMITTEE: John Schwandner stated John Earley has resigned from the board; we received a letter today. John said he'd like to see Tony Rubba on the board if he was still interested. John asked Steve Kolsto to talk to Tony and see if he'd consider an appointment and if anyone else has someone they'd like to discuss nominating for this appointment, please let us know. John said this term ends at the annual meeting this year.

FINANCE COMMITTEE: Cheryl Stine noted we started the month with \$100,817.62; had a total of \$5,445.16 in expenses and \$1,816.09 in income. Cheryl stated we ended the month of May with \$97,188.55. Cheryl said our annual income is at 89.7% and expenses are at 42.3%; total assets are \$141,138.55 and total liabilities \$43,950.00. Cheryl noted the Accounts Receivable balance is at \$3,076.05.

LEGAL & INSURANCE COMMITTEE: Kate Steigerwald stated she has contacted Allan Sharp to have him help fill her in since he was her predecessor.

ROADS COMMITTEE: Bob Sons stated he's been wanting to get in touch with Bill about the holes on West Lake. Bill said he had been waiting for it to get warm enough to spread black patch so he just got the holes taken care of today. Bob said he and Bill looked at VanHuss' problem and we've talked about putting in a speed bump. Bill said he wanted to mention whatever is done there could create a problem for someone else.

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE: Rick Whitehead stated John had asked him to check on a few member's riprap. Rick noted Lot #44 has been done, Lot #107 still has large pieces of broken concrete over there so nothing has been started, and the members at Lot #223 has pulled riprap out of the water, brought it back up on shore and it looks good. Rick noted he checked Lot #9 and it needs a little riprap about 12' northeast of the boathouse, the boat docks and riprap at Lot #39 and #59 look good. Rick said he also checked on Lot #117 and the riprap and boat dock looks good. Rick noted the boat dock at Lot #209 needs to be removed, it's hanging in the water. Rick said Kyla should send the member a letter.

WATER QUALITY & CONSERVATION: Steve Kolsto stated Cochran & Wilken has agreed to the \$17.00 per sample for the water quality test. Steve noted he also has two articles for the next newsletter, one article on phosphorus and the other on walleye.

OLD BUSINESS:

John Schwandner asked if anyone had ideas for a float in the sesquicentennial celebration. Cheryl Stine stated her idea was have a truck pull a boat of some kind. Cheryl said we could have volunteers that didn't want to walk the parade maybe sit in the back of the truck. Cheryl said she'd like to see a pontoon boat with banners on both sides that say something like "Sunset Lake's 50th Anniversary" – "Happy Sesquicentennial". Cheryl said do we want the board to walk with the pontoon and invite the membership to attend the parade. Cheryl said we need a volunteer with a truck and boat, arrange whoever wants to walk in the parade and also it's important to invite the members. John Munchalfen said Tom Reznicek would be able to do a banner. Cheryl said maybe a 10' banner on each side and she'd work with Kyla to come up with what we want it to say. John Schwandner said the parade is July 30th. Cheryl stated we still have another board meeting before the parade so we need to work on getting a volunteer with a pontoon. Cheryl said another thing we could do is have volunteers handing out candy.

Bob Sons said something we discussed before was signs on all the entrances to the roads going into Sunset Lake, signs saying "Sunset Lake Lessees Only". Cheryl Stine said she made a motion to get signs for every entrance. Bob said all we need to do is get the wording off the signs we already have and order the signs. Bill said he knew we talked about it seriously but wasn't sure where we left it. Bob said he had a member ask him why we didn't have a sign at the boat ramp stating, "Boating is for Sunset Lake Lessees Only". Cheryl said we do need a sign saying that too. Ray Reardon said something discussed in the past that's been a problem was people not understanding at the boat launch where you pull in it's been extended so there's a nice area for backing up. Ray stated occasionally someone will leave a vehicle and trailer parked right there after they've launched their boat. Ray said they need to pull up along the road because it makes it difficult for the next person coming in to unload a boat.

Ray said we talked about having a sign that says “No Parking – Boat Launching Only”; there’s room for people to pull along the roads. Bob said maybe we should have two signs, one sign saying “Sunset Lake Lessees Only” and the second “No Parking”.

NEW BUSINESS:

John Schwandner stated Sherry Case contacted us about sponsoring a Sesquicentennial Banner that they will be hanging up around town. Kyla stated the banners are \$80.00 and there will be a memory booklet, Sunset Lake will be listed in there as a sponsor. Kyla said also after the celebration is over we’d get the banner back and we can hang it on the wall in the hall. Cheryl Stine made a motion to sponsor the banner and Kate Steigerwald seconded the motion. The Board approved.

Kate Steigerwald stated there is a buoy down by her area that says “Slow – No Wake”. Kate said some members pay no attention to that and was wondering what can be done to get them to slow down. Kate noted when they come in down there they take a lot of the sand we have in our beach area. Bob Sons said unfortunately mother nature takes care of the sand more than any boat does and it’s fast all the way up to that buoy. Bob said you could sign a complaint form if they’re going fast past that. Steve Kolsto suggested getting the sticker number off the boat.

John Schwandner asked Kyla to tell the Board about the phone call she received regarding the 4 lots of Ed Snell’s. Kyla stated she received a call from a gentleman from Virginia interested in the 4 lots that Ed has for sale. Kyla said she told him she only knew of 3 lots that were for sale; this gentleman said the realtor told him there were 4. Kyla noted he was inquiring about having a horse and putting up a fenced in that area. Kyla said she told him according to our rules he could not have a fence and was sure the membership would frown on the idea of a horse. Kyla noted this gentleman said if the lot at the end of the cove is not part of the Association then he’d put the horse on this lot. John asked Ed Snell if he was aware of this situation. Ed said he had the realtor call him but his understanding was all that land would be Sunset Lake Association property whether it’s 3 lots, 4 lots or 10 lots and would have to follow the rules and regulations. John asked is it true that one lot is not covered by the agreement. Ed said no and the only thing that may exempt one of those lots would be lack of water. Ed said he’s not sure if the rules have been changed since we had that agreement but one of those lots may not have frontage on Sunset Lake; there are two lots that he didn’t think had lake frontage. John said that was his understanding too and that’s the lot the gentleman is wanting to raise horses on. Ed said the way the agreement reads is all that property on that side of the road down to the lake will become Sunset Lake property once it’s sold. Kyla said there is nothing in the Rules about livestock but it does state in the Lease livestock is not allowed. Cheryl questioned if we needed to respond to this gentlemen. Kyla said she told him if he wanted to come to the board and discuss it, he could. Kyla noted she hasn’t heard anything else from him and Ed said he hasn’t heard anything either. Kyla asked if the Board wanted to add something to the Rules about livestock. Ray Reardon said that would be a question for the lawyer. John Schwandner said if you say it in the lease and not the Rules & Regulations some attorney may come along and question what right do we have for putting this in the lease but not the rules. John said his thought is we need to put it in the rules. Cheryl questioned how much more is in the lease but not the Rules. Kyla said she’d check on this.

Kyla said she also received a call from the realtor handling Lots #71-73. Kyla noted the lots have been for sell for sometime and the realtor herself is thinking about purchasing them. Kyla said what she'd like to do is take the 3 lots and make them 2. Kyla said she'd then put 2 small homes on both lots but that would be going from 3 assessments to 2. Kyla told the realtor according to the Bylaws that can't be done but the realtor said they were at the beginning stages and just crunching numbers to see what it would cost to put a small home there. Kyla said once she has numbers put together she'd then decide whether she wanted to approach the board about this. Bob Sons said he might be in favor of this because there are lots on the North side that are very small. John Schwandner said the realtor thought one of those lots were too small to do anything with. Bob said we can hold off on this for now but you don't want three homes in there stacked on top of each other. John said he didn't think you could get three homes in there. Bill Hohimer said his idea was keep them as three lots but take part of Lot #72 and give a portion of it to one of the smaller lots making it bigger. Bill said they could then build a home of that lot and sell the other two lots for another home. Bob said so one home would have 2 assessments; they could straddle a home on the 2 lots. Ray Reardon said he thought there was something in the Bylaws or Rules that discourage spec homes; something that says a home built will be for the personal use of the owner. John said we'd research this.

TRANSFERS: The following transfers were approved upon motion by Bob Sons and seconded by John Munchalfen.

#59 James & Mary Pickett to Kenneth R. & Janice M. Deihl

#117 Charles & Roxine Burch to Anthony R. Paquette

The Board agreed unanimously.

ADJOURNMENT: The Board went into Executive Session at 7:55 p.m. Upon motion by Steve Kolsto, seconded by John Munchalfen, the Board agreed again by consensus to adjourn. The meeting adjourned at 8:15 p.m.

SUNSET LAKE ASSOCIATION

Monthly Financial Report

June 30, 2005

Cash on Hand as of 5/31/05	\$	10200
Checking Account Balance as of 5/31/05	\$	40800
Money Market Account Balance as of 5/31/05	\$	63,758.81
3-Month CD at 1.25% as of 5/31/05	\$	2,542.59
6-Month CD at 1.25% as of 5/31/05	\$	<u>30,377.15</u>
	\$	97,188.55

Minus Bills Paid

Rural Electric	\$	311.04
Passaicqua & Powell (Road Pack)		210.20
M&M Services (LP-Office)		291.49
Wheeler & Ross (LP-Shed)		87.02
Verizon		37.57
Verizon Wireless		34.40
Power Net Global		11.55
Nilwood Water		9.15
Quill Corporation		34.07
Secretary of State (Truck & Trailer License Renewal)		96.00
Gold Nugget Publication (Garage Sale Ad)		56.00
Girard Sesquicentennial (Banner)		80.00
Employers Tax & Withholding		933.88
Kyla Tanner - Net Salary		1,412.24
William Hohimer - Net Salary		<u>2,231.86</u>
Total Expenses	\$	5,836.47

Plus Income

Assessments	\$	250.00
Boat Sticker		123.00
Transfer Fees		1,200.00
Earned by Maintenance Man		20.00
Building Permits		80.00
Hall Rental		25.00
Account Receivable		245.38
All Others		127.90
Interest		2.40
Total Income	\$	<u>2,073.68</u>

Cash on Hand as of 6/30/05	\$	10200
Checking Account Balance as of 6/30/05	\$	40800
Money Market Account Balance as of 6/30/05	\$	59,993.62
3-Month CD at 1.25% as of 6/30/05	\$	2,544.99
6-Month CD at 1.25% as of 6/30/05	\$	<u>30,377.15</u>
	\$	93,425.76

SUNSET LAKE ASSOCIATION

Balance Sheet

As of June 30, 2005

	<u>Jun 30, '05</u>
ASSETS	
Current Assets	
Checking/Savings	
0100 Cash on Hand	102.00
0120 Checking Acct.	44,658.00 *
0125 First National Bank- ...	59,993.62
0131 FNB-CD (3-Month CD)	2,544.99
0135 FNB-CD (6-Month CD)	30,377.15
Total Checking/Savings	<u>137,675.76</u>
Total Current Assets	<u>137,675.76</u>
TOTAL ASSETS	<u>137,675.76</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
0200 Escrow	44,250.00
Total Other Current Liabilit...	<u>44,250.00</u>
Total Current Liabilities	<u>44,250.00</u>
Total Liabilities	<u>44,250.00</u>
TOTAL LIABILITIES & EQUITY	<u>44,250.00</u>

* Includes \$44,250.00 of Escrow Funds.

SUNSET LAKE ASSOCIATION
Accounts Receivable Balance

As of June 30, 2005

	<u>Jun 30, '05</u>
#27	357.49
Brown, Neil M. & Julie - #239	26.94
Hipsher, Randy - #26	305.98
Robson, George R. & Patty - #154,A	800.00
Secrist, Sharon - #212	305.98
Shirvis, Daniel T. & Claudia M. - #110	26.94
Smith, Peggy & Michell - #130	305.98
Trapp, Robert G. - #97	206.00
Williams, Jr., James W. - #95	52.23
Wyatt, James - #1	<u>417.01</u>
TOTAL	<u><u>2,804.55</u></u>

SUNSET LAKE ASSOCIATION
Budget vs. Actual
 January through December 2005

	<u>Jan - Dec '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
Income				
0301 Annual Assessment	83,751.00	84,780.00	-1,029.00	98.8%
0301.3 Special Assmt Shed	83.33			
0305 Boat Permits	3,631.33	3,600.00	31.33	100.9%
0311 Building Permits	315.00	800.00	-485.00	39.4%
0313 Fines & Penalties	323.38	500.00	-176.62	64.7%
0325 Farm Income	1,600.00	3,200.00	-1,600.00	50.0%
0335 Interest Income	473.10	1,000.00	-526.90	47.3%
0391 Transfer Fees	4,000.00	6,600.00	-2,600.00	60.6%
0397 Cable Franchise Fee	1,008.11	1,200.00	-191.89	84.0%
0398 Earned by Maint. Man	692.50	1,200.00	-507.50	57.7%
0399 Miscellaneous Income				
Chlorine Tablets	400.00			
Copies	22.10			
Fax	12.00			
Hall Rental	100.00			
Sanitation Permit	40.00			
SLA Hats	130.00			
Sports/Chlorine Bottles	2.00			
0399 Miscellaneous Income - Other	435.50	3,000.00	-2,564.50	14.5%
Total 0399 Miscellaneous Income	<u>1,141.60</u>	<u>3,000.00</u>	<u>-1,858.40</u>	<u>38.1%</u>
Total Income	97,019.35	105,880.00	-8,860.65	91.6%
Expense				
0406 Professional Fees				
Accounting	665.00			
Legal Fees				
Jared March	288.50			
McCaskey - Culvert	255.00			
Total Legal Fees	543.50			
0406 Professional Fees - Other	0.00	3,000.00	-3,000.00	0.0%
Total 0406 Professional Fees	<u>1,208.50</u>	<u>3,000.00</u>	<u>-1,791.50</u>	<u>40.3%</u>
0409 Office & Hall Supplies				
Copier Supplies	143.86			
Paper Supplies	180.87			
Postage	290.70			
Printing	332.15			
Service Contract -Copier	325.00			
0409 Office & Hall Supplies - Other	162.61	3,000.00	-2,837.39	5.4%
Total 0409 Office & Hall Supplies	<u>1,435.19</u>	<u>3,000.00</u>	<u>-1,564.81</u>	<u>47.8%</u>
0411 R & M- Lake	45.00	500.00	-455.00	9.0%
0411.1 Fish Stocking	0.00	2,500.00	-2,500.00	0.0%
0412 R & M -Grounds	202.89	500.00	-297.11	40.6%
0414 R & M -Roads	451.19	10,000.00	-9,548.81	4.5%
0415.5 Conservation & Watershed	1,500.00	3,000.00	-1,500.00	50.0%
0416 R & M Equipment	387.61	2,000.00	-1,612.39	19.4%
0418 Gas & Oil	866.26	2,500.00	-1,633.74	34.7%
0430 Utilities				

SUNSET LAKE ASSOCIATION
Budget vs. Actual
January through December 2005

	<u>Jan - Dec '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
Gas & Electric	2,799.66			
Telephone	468.93			
Water	57.00			
0430 Utilities - Other	0.00	6,300.00	-6,300.00	0.0%
Total 0430 Utilities	3,325.59	6,300.00	-2,974.41	52.8%
0434 Insurance				
Comm. Auto	1,030.00			
Comm. Property	3,484.00			
Comm. Umbrella Liability	775.00			
Notary Bond	13.00			
Workers Compensation	1,692.00			
0434 Insurance - Other	0.00	8,000.00	-8,000.00	0.0%
Total 0434 Insurance	6,994.00	8,000.00	-1,006.00	87.4%
0442 Property Tax	0.00	4,200.00	-4,200.00	0.0%
0498 Miscellaneous Expense	778.80	2,000.00	-1,221.20	38.9%
Equipment Reserve	0.00	1,800.00	-1,800.00	0.0%
Payroll Expenses				
0402 Superintendant	16,740.00	33,480.00	-16,740.00	50.0%
0404 Secretary Salary	9,450.00	18,900.00	-9,450.00	50.0%
0440 Employment Tax Expense	2,308.32	4,200.00	-1,891.68	55.0%
Total Payroll Expenses	28,498.32	56,580.00	-28,081.68	50.4%
Total Expense	45,693.35	105,880.00	-60,186.65	43.2%
Net Income	51,326.00	0.00	51,326.00	100.0%

SUNSET LAKE ASSOCIATION

AGENDA

July 5, 2005 7:00PM

CALL TO ORDER

ROLL CALL

VISITORS

SUPERINTENDANT'S REPORT

OFFICE MANAGER'S REPORT

APPROVAL OF THE MINUTES OF JUNE 7, 2005

APPROVAL OF BILLS PAID FOR JUNE 2005

COMMITTEE REPORTS:

AQUATIC CONTROL & WATER SAFETY	- JOHN MUNCHALFEN
BUILDING & CONSTRUCTION COMMITTEE	- GEORGE TOEPFER
DAM & GROUNDS COMMITTEE	- OPEN
FINANCE COMMITTEE	- CHERYL STINE
LEGAL & INSURANCE COMMITTEE	- KATE STEIGERWALD
ROADS COMMITTEE	- BOB SONS
SANITATION, SHORELINE & BOAT DOCKS COMMITTEE	- RICK WHITEHEAD
WATER QUALITY & CONSERVATION	- STEVE KOLSTO

OLD BUSINESS - Sesquicentennial Celebration - Float
MeCaskey's Culvert

NEW BUSINESS -

TRANSFERS - #36 Jeffrey & Christy Rhodes to William & Linda Urban
#121,121A Richard Molaschi to William J. & Margaret A. Blenck
#232,233 Penny Killen to Mary L. Hagenbuck

ADJOURNMENT -

*Upcoming Transfer

**SUNSET LAKE ASSOCIATION
MINUTES OF THE MONTHLY MEETING
JULY 5, 2005**

CALL TO ORDER: President John Schwandner called the meeting to order at 7:00 p.m. Also present for the meeting were Bob Sons, Cheryl Stine, Steve Kolsto, George Toepfer, John Munchalfen, Rick Whitehead, and Kate Steigerwald.

VISITORS: Clarke Steigerwald #7, Jim Seggelke #9B, Ed Burg #101,A, Bill Harris #105-6, Sam Lamendola #192 and Jim Dorr #284

Sam Lamendola #192 stated a couple of weeks ago someone got onto his pontoon boat that was on the lift and stole 2 rods and 2 tackle boxes. Sam stated he reported this to the sheriff's office but not sure if his items will be recovered. Sam said he wondered if there were any other member with similar incidents; if so he thought the membership needed to be made aware of this. Sam noted another item he wanted to mention was we are getting more of these floating launches/rafts and they seem to be in the middle of channels. Sam said if someone has a boat they have to go around it or if they're fishing they're afraid they'll hook it. Sam said the Board might need to regulate these devices because some of these channels are small. Sam said something he mentioned to Bob Sons was there needs to be a sign at the boat ramp that says "Private Lake". Sam said there seems to be a lot more boats than usually and not sure if they have stickers. Sam stated as members we pay the dues, we pay the taxes and then someone comes in off the street and uses the lake for free. Sam noted he'd pay for the sign but there needs to be a sign at the launch big enough that says "Stop Private Lake". Sam said then if someone that's not a member is caught, they're trespassing and we could then call the sheriff's office. Sam said the last item was he'd like to thank Bob for the nice fireworks display. Sam said there should be a donation box here at the office so when someone comes in and wants to put something towards it by next July we may have a few dollars and it won't all come out of his pocket. Bob Sons said John Munchalfen helps with this too. John Schwandner stated lets address a few of these items. John said the fireworks display was really nice and he wanted to thank them too; his idea was a bucket at the Annual Meeting. Ed Burg said the Association should kick in some money, lets say \$300.00. Cheryl Stine said we couldn't because it's a liability issue but liked the idea of a bucket at the Annual Meeting. Jim Seggelke said he really enjoyed the fireworks they were really nice. John Schwandner said he knows of one cove that has a floating device that takes over 1/2 the cove. Sam said there's 2 over by him but one is close to the shore but the other is out in the middle. Cheryl Stine said the member should be able to let them out when the kids are playing but when they're not in use they should be pulled in and tied close to the shore. Cheryl said they should not be able to float all weekend long in the middle of the channel; pull them up against the shoreline when they're not in use. Bob Sons said they can't go against the shoreline because may put a hole in it but at least pull them in close to the boat dock. Bob said some members have them and they don't create a problem; Cheryl said like John Munchalfen's. Bob said yes John's is back in his cove not bothering anyone. Cheryl noted maybe this should be on an individual basis. Bob said we could send a common courtesy letter asking them to bring the device in against the boat dock while it's not in use. John Schwandner questioned if the signs had been ordered for the boat ramp. Bill said not yet because he'd been busy with roads and oiling but will get to that. Cheryl questioned if anyone else had problems with theft or knew of anyone that did, but nobody had.

SUPERINTENDENT'S REPORT: Bill Hohimer stated he's been getting ready for oiling tomorrow and there are 8 driveways to do also. Bill noted he got black patch down and they put in 3 drainpipes, one at Sunset & Evergreen, another at Cherry Lane and also at East Lake. Bill said we are waiting for the mud to dry before laying down riprap down by the bridge. Bill asked if any of the board members thought there should be more cleanup done; there are still a few stumps. Bob Sons said yes there are a few stumps and if there's more he can clean that's fine; he thinks it looks good. Bill asked Ed Burg if he had any suggestions. Ed said he got stuck down there; he would have left it alone to begin with but now that it's been done he's not sure what else to do there. Ed said maybe we could get some more of those tree branches and sticks out. Bill stated it appears to look bigger, maybe wider and thought he may bring a buoy farther up. Jim Dorr asked if the landowner was helping with this expense? John Schwandner stated this is our expense. Bill Harris asked what was the purpose of taking the trees out. Bob Sons said we wanted to clean that up and put down riprap to keep any more erosion from coming into the lake; we were getting runoff from that field. Bob said there's only about a foot of water down there but at least we're keeping any more from coming in from that side; there could be some that comes in off the other side or down under the bridge. Bill Harris questioned if Walk had property there too. Bob said Walk has the property from East Lake to the middle and we have from the bridge in and it needed to be cleaned up and the erosion stopped. Bill Harris stated on Hays Road there is a huge hole just off the edge of the road. Bill Hohimer said the culvert that is laying at the bridge by our riprap is going to be used there; this is a township road and we have nothing to do with it. Bill said they're planning to do this soon.

OFFICE MANAGER'S REPORT: Kyla Tanner stated she had 3 orientations and did paperwork on 3 transfers. Kyla said she also worked on the road and driveway list for Bill.

APPROVAL OF MINUTES OF JUNE 7, 2005: A motion to approve the minutes of the June meeting was made by Kate Steigerwald and seconded by Cheryl Stine. Motion passed unanimously.

APPROVAL OF BILLS PAID FOR JUNE 2005: Cheryl Stine stated total expense for June was \$5,836.47. Cheryl said they were normal monthly bills other than the garage sale ad, the sesquicentennial banner, and license renewal for truck and trailer.

Upon a motion by Steve Kolsto and seconded by George Toepfer, the Board voted unanimously to approve the bills paid for June.

COMMITTEE REPORTS:

AQUATIC CONTROL AND WATER SAFETY: John Munchalfen stated there were a few things over the 4th of July holiday; some members swimming across the lake and going too fast. John said he went around making sure everyone had boat stickers; Pat Wilken #10 did have a sticker on the little boat. John stated it was brought up about plant life where all this was cleaned up at the bridge. John said it would probably be a good idea to reintroduce plant life like the biologist suggested grabbing some existing plant life and reintroducing to other areas on the lake. John said one suggestion Jeff Pontanck had was water willow. John said we also may want to check into cattails, this was something discussed briefly but not sure if it can get out of hand quickly. John said he'd volunteer to get

in and tie on to those branches that are halfway out into the water then if we could use a tracker to pull them out. John stated he'd welcome volunteers to help introduce plant life; John Schwandner and Steve Kolsto volunteered. John stated Jeff Pontanck cattails are good but can get out of hand quickly; his term quickly could be a 5 to 10 year process. Steve Kolsto said you could actually drown cattails. Ed Burg noted he fishes a pond that has cattails and they took over 6 to 7 feet out; he's tried cutting them off at the bottom but they grow back. Steve said he'd check on this because there are different types of cattails.

BUILDING AND CONTRUCTION COMMITTEE: George Toepfer stated he had 6 permits; Woodson #287 for a deck around the house, Govert #57 for sidewalks, Meeker #199 for a new roof, Kinsel #245 to replace a shed, and Jones #210 for a dock. George said we received a permit from Federer #85 but need to get a hold of the member to discuss this.

DAM & GROUNDS COMMITTEE: Bob Sons stated at one time he had talked to John Earley about getting with Peter Berrini who's the engineer and have him look at the dam. Bob said now that John has resigned Steve has agreed to talk to Mr. Berrini.

FINANCE COMMITTEE: Cheryl Stine stated total expenses were \$5,836.47 and income was \$2,073.68; income at 91% of budget and expenses at 43%. Cheryl noted total assets are \$137,675.76, liabilities at \$44,250.00 and account receivables are at \$2,804.55. Bob Sons questioned if letters have been sent to the individuals on the account receivables list; we can't do anything with Robson but should we get some letters out to the others. Kyla Tanner stated she sent letters to those on the list that owe for Assessments, explaining we can set up payment because every month we're charging interest. John said if you don't hear from these folks by the 15th of the month send them another letter giving them 30 days or we will turn them over to collections.

LEGAL & INSURANCE COMMITTEE: Kate Steigerwald stated she needed to get together with Bob Sons to discuss a few things. Bob said when he gets back in town he'd contact her to go over the lease and spec homes.

ROADS COMMITTEE: Bob Sons stated Bill was oiling tomorrow. Bob noted Bill had received some flack about the work done on Evergreen for VanHuss's water problem; Bob said he thinks it looks good. Bill said once it rains and we can get this seeded you won't know where these culverts were put.

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE: Rick Whitehead stated he had nothing to report. John Schwandner said there are several docks that need to come out, Maguire #137 being one. Bill stated Maguire's are going to take theirs out and riprap their shoreline because they're selling the place. Cheryl Stine said what about the boathouse with the siding coming off and it's leaning sideways. John Schwandner said that's Kolhauser #86,#88 and you'll also need to check the riprap. John said we may need to do something with Jones #102,102A too. Cheryl said Williams #74-#76 has pieces of concrete with big holes behind them; this is another one to check.

WATER QUALITY & CONSERVATION: Steve Kolsto stated nothing to report.

OLD BUSINESS:

John Schwandner asked how the float was coming along. Kyla Tanner said Bill Tavernor said we could use his pontoon and trailer if we can't find another one. Cheryl Stine suggested notifying a few members to throw candy. John Munchalfen said you're not allowed to throw candy out the vehicle; you'd need individuals walking beside the vehicle handing out candy. Kyla said she was going to notify the Robson's to see if the kids wanted to walk and there are others that may do it. Cheryl said notify Edith Luddeke and Nancy Govert for the decorating committee.

John Schwandner we need to make a decision tonight one way or the other on McCaskey's culvert. Bob Sons said his thoughts were either drop it and then put up a fence or go all the way with it. Cheryl Stine said her worry about dropping it and putting up a fence is if we dismiss it they put it on a shelf but once a fence goes up the judge will know about it because the interactions. Cheryl stated then it would be classified as self-help so given that thought we should go forward with it. Jim Dorr said he doesn't use the culvert anyway, why not drop it, enough has been spent on this the last couple of years. Jim said if someone else does this in a couple years they would be looked at as individual cases, no bearing on each other. Bob said he noticed the neighbors on the other side are putting up a fence; his thoughts we drop it now and wait until next spring to put up a fence. Bob noted right now he's not using it; just keep it on the back burner and maybe right before he decides to use it put a fence up. Cheryl Stine said if we put up a guardrail we could say it was for safety. Clarke Steigerwald said maybe you could do some type of hedgerow. George Toepfer made a motion to drop this completely; it's been going on too long. Kate Steigerwald seconded the motion. Cheryl Stine said she'd agree to dismiss the case if we agree to do something in the spring. Bob said we could keep an eye on the situation and see what he does. John Schwandner said instead of dismissing it we could just let it lay there, leave file on shelf. Cheryl questioned let the legal case lay open instead of starting over again. Bob said do we tell them to leave it open. Jim Dorr said tell them to let it lay on the shelf. John said if George will rescind his motion and Kate rescinds her second we'll just let it lay. George said he'd rescind his motion. John Munchalfen said if we let it lay we're still not allowed to put up a fence or guardrail; our hands are tied too and he's not abiding by the rules anyway. Cheryl said we could look at this later. Bob Sons we can drop it now but then reintroduce it later if we need to. John Munchalfen said he doesn't see the advantage of doing this. Bob said McCaskey knows this has been hanging there and maybe that's why he hasn't done anything but if we drop it he may start something. John Munchalfen said his thoughts would be drop the case, put up a fence or guardrail within a year; don't think McCaskey will go by the law. John said the lawyer stated anything that happens with this case does not anything else anywhere on the lake. John said it will not set a precedence so his opinion is drop the case then put up a guardrail or fence right in front of his driveway. John said he wouldn't run it the full length of the property. Bob said he's known of people sliding off the road there so this could be a safety issue. Cheryl said do we want to let this lay or do we want to formally have this dismissed. John Schwandner said we can dismiss it or let it lay but either way it's not going to cost any money right now. George said it won't cost any money now but what about in the future. Jim Dorr said it will cost more if we dismiss it now and then restart it later. Jim noted if you just let it lay and he starts to use the road you can then pick it up again. Kate Steigerwald made the motion to let this lay and Cheryl Stine seconded the motion. With a show of hands the following Board members voted to let this lay; George Toepfer, Cheryl Stine, Steve Kolsto, Rick Whitehead, and Kate Steigerwald. Bob Sons agreed to call Mr. Bloomer to let him know the Board's decision.

NEW BUSINESS:

Bill Hohimer stated off of Sycamore between Lot #228 & #229 there is about 2 or 3 pickup loads of slate siding and shingles that someone has dumped back against the fence line by Gray's property. Cheryl Stine asked if they are dumping it on someone else's lot? Bill said their dumping it on Association property. Bill said he's not sure who did this but it probably would have been someone off Beachview or West Lake because it had to be hauled in with a lawn mower & trailer. Bill said he has a suspicion who it may be. John Munchalfen asked Rick if their neighbor who recently residing their house tore the old off. Rick wasn't sure and neither was John. Bob Sons said how do you go after someone now. Bill questioned what do we do with this now. Bob said he has his dump truck but the bobcat will not lift up over the sides. Bill Harris asked who put it there. Bill said his suspicion would be Hare, Lot #219 but the gentleman just passed away. John Schwandner said we couldn't prove it. John Munchalfen said it's been a while, probably 6 months ago since the work on their house was done. Bob Sons said he could bring his truck out here and we can load this stuff into the truck. John Schwandner stated he didn't want to accuse anyone without proof; are we sure it's someone from the Lake. Bill stated yes it had to be someone from the lake because they hauled it with mower. Bob said either send her a letter or we'll clean it up and forget about it. John Schwandner said lets do that, clean it up. Cheryl Stine said she'd help with the cleanup if Bob brings his truck out here. Bob said when he gets back from up North he'd get with Bill and they'd get it done.

John Schwandner stated last fall Edith Luddeke, #60 submitted a proposal for a temporary fence for her dogs. John said that temporary fence now has become an electrical fence. Cheryl Stine said it now has a car battery sitting there. John said this needs to be taken down before some kid gets hurt. Bob Sons said this is just a safety thing and we need to tell her just to take it down. Cheryl said we should send a letter saying the Board gave her permission to put up a dog kennel but the electrical part was not approved and must be removed. John Munchalfen said they use electrical fences to train cattle and once they're trained they remove it; this might be something she's doing. John Schwandner said we still need to send her a letter to remove the electrical.

TRANSFERS: The following transfers were approved upon motion by Cheryl Stine and seconded by John Munchalfen.

#36 Jeffrey & Christy Rhodes to William & Linda Urban
#121,121A Richard Molaschi to Wiliam J. & Margaret A. Blenck
#232,233 Penny Killen to Mary L. Hagenbuck

The Board agreed unanimously.

ADJOURNMENT: Upon motion by Cheryl Stine, seconded by Kate Steigerwald, the Board agreed again by consensus to adjourn. The meeting adjourned at 8:15 p.m.

Meeting with Mr. Bloomer regarding McCaskey's Culvert
June 23, 2005 7:00 P.M.

Present for the meeting were John Schwandner, Bob Sons, John Munchalfen, Cheryl Stine, George Toepfer and Bill Hohimer.

JS – Asked Mr. Paul Bloomer to familiarize everyone with the situation.

PB – We filed a Complaint for Injunction against McCaskey. Waited for McCaskey's answer to be filed; after quite some time it finally was filed. We had the deposition set but then cancelled it because we thought we had it resolved. I've talked to Bob Sons several times and thought the meeting with the Board may be production because we really are in a dilemma here. As I told Bob, we have a 50/50 chance of prevailing. In talking with Bob he explained there are other people with property adjoining Sunset Lake's property that may look on this as precedence. They could put in driveways onto Association roadways. So if we lose it could set precedence; that's where the case is. The Supreme Court states status limits and under the status it says if the public have used the roads for more than 15 years it constitutes a public roadway. That's really not the issue because no one is trying to stop McCaskey from using the roadway, per say. We're objecting to the driveway and culvert giving him access onto Beachview Drive. I initially thought it would take this case away from that status, approach to the courts would be look we're not object to him using the road but putting in culvert and accessing our roadway that way. But another Supreme Court case that said prescriptive rights that the public obtains after 15 years also extends to the way adjacent to the roadway. Such is that may be necessary to perpetuate course of using them, case involving improvement.

JS – He can use our property, that's what the case law says, he can drive over our property, the roadways?

PB – The difference is the case involved people wanting to put in curbs and guttering next to an old roadway. Like your roadways that have been rocked and chipped over the years and gradually increased in width from 18' to 20' but in this case it was going to add up to 18' to 20' on either side from the center. This would make it 36' wide and the adjoining property owners objected. They realized there was a right the public acquires after 15 years but they want to use their adjoining property and they shouldn't be able to do this. Supreme Court said yes, because the rights of the public extend to the ways adjacent to the roadway. It didn't directly involve the exact same situation as with McCaskey putting in the driveway for access onto our roads but you have to think objectively. This would appear to say the rights that the public have after 15 years including McCaskey now are our rights property adjacent to the roadway as well as the roadway itself. He'll tell the judge that's all he's asked for are the rights adjacent to the roadway like these individuals in this case. All I'm doing over Association property is putting a driveway over 3' or so.

CS – You're talking about public roadway for 15 years but it's been private for 50 years.

PB – This is what these cases are saying, even if these roads start out as private but you permit the public to use them for a period in excess of 15 years the public obtain rights.

CS – But the public is not allowed on these roads, this is private property.

BS – It is posted over by MeCaskey's property.

PB – It is clear to see that everyone and their brother uses the roads.

JM – If I lived off Emmerson, like MeCasey would IDOT allow me to put in another driveway. It is very difficult to get IDOT to allow another access onto Emmerson.

PB – Probably they would not.

JM – What bases does IDOT have in order to hold their road/easement on the side of road from the general public that we the Association don't have.

PB – The state has the jurisdiction and the power or duty to maintain that roadway.

JM – So the state or county doesn't maintain this road so does it still fall under the same clause.

PB – Yes, forget the fact it's an Association road. It could be a farm road that my grandfather originally built, in fact one of these cases involve the exact same thing. We get back to where he puts up a fence to protect his farm or cattle but the public is allowed to use it for a period in excess of 15 years, even if its just a few people. The cases say the public acquires prescriptive easement that it's now open to public use and the 1st case the landowner got tired of it so he put a gate up on the fence and the courts said take it down.

CS – You talk about public but we don't let people in on our roads.

JS – What Paul's point is anyone that wants to drive on these roads can and we don't say if you don't live here you can't drive on these roads.

BS – Our problem is we have 2 homes that have been here over 15 years.

PB – It does not have to be much, if there's a school bus that regularly uses that road or people out for a Sunday drive, site seeing. That's enough it's considered public use.

BS – Even if it's posed no trespassing.

PB – Yes, because you're not enforcing it.

BS – We can't enforce it because we're not the law.

PB – Exactly, that's the bind you're in. That is even better proof that the public is using it adversely to you and it's not permissive. Adverse use is how the courts look at it and decide whether these prescriptive rights exist. People are using it in spite of your signs there by making it a stronger argument for the public.

CS – He already had easement onto Emmerson, why do we have to grant him easement onto our private road.

PB – He's not asking you to grant him anything, he's not asking for permission. Based on the statute and the case of the Supreme Court the law is the public has rights and he's part of the public. The 2nd case says those rights extend to the property adjacent to the traveling roadway, that speaks directly to what we're complaining about which is the driveway there.

CS – If we lose the case it will set precedence but if we don't do anything won't it set precedence.

JM – If we drop the case right now, 5 years from now someone would want to look this case up. How hard would that be for someone to see the results from this? What I'm getting at will it set precedence or will someone be able to research this or not.

PB – A voluntary dismissal has no presidential affect.

JM – So there wouldn't be precedence set.

PB – No

JS – Would this be a matter of public record or in a couple of years this will all go away?

PB – It's a matter of public record because it's in the court file but it basically consist of a complaint and answer. They put the files in storage after they've been dismissed or stricken, after a few years they're destroyed. They don't have the room for storage and the county doesn't have money for microfilm equipment.

JM – If we were to put a guardrail up right now, the whole length of that property for safety purposes, would that be going against something. Even if we just drop this, didn't pursue it, just let this case linger?

PB – I talked a little to Bob about this. If the case were still pending it would force McCaskey to file a counter claim bringing this to a head faster. 90 out of 100 judges would have the attitude that the Lake Association filed this complaint asking the courts for relief. They then indulge in this self-help, even while the case is still pending, trying to resolve the situation out of court. They would look at this harshly.

JM – The court will look at the Association but McCaskey puts his culvert there, forces us to take him to court; he can but we can't.

PB – He has these cases to stand on. See my point with the case pending, the judge would look at it as why are you here before me asking for relief, you've engaged in self-help.

JS – What if we withdrawal and then do it?

PB – He'll just turn around and file an injunction to have the court order you to take it down and we'd be back faced with the same issue.

JM – But at that time he has to wait some length of time.

JS – He would have to spend the money to go after us.

JM – What would happened if we take a backhoe and remove the rock from our property or cleared the debris from our ditches, got rid of the culvert but didn't put up a guardrail. Would that be classified as theft, it's not his property.

PB – My understanding, the survey shows the culvert is on his property.

JM – Then just get rid of the debris that's on our property – the rock.

PB – I would say it would be criminal intent.

JM – We could make it where he couldn't use the culvert.

PB – The danger of trying to remove rock is swaying onto his property and then it would be trespassing.

JM – Where the fence is, the property line is 1' from the existing fence to the north. The fence is actually on Steve Deventier's property because I walked it. Chris Sprinkle who owned that property prior to Deventier put that fence up and made sure he was not on anyone else's property.

CS – If we drop the case all together, how long do we wait before we could put the safety fence up? Let him pay to sue us to take the fence down.

PB – Dropping the case involves filing a single page motion to dismiss, this would be a voluntary thing, there would be no argument, and it's automatic. The court signs the order and it's dismissed. Then do what you want.

CS – Then it would be up to him.

JS – You said something early on that you thought you had this resolved. What did that mean?

PB – I thought if I made it clear to his lawyer that the Association wasn't trying to prevent him to have access to the roadway, he could use the roadways like everyone else and I didn't think that was clear in our complaint. We were objecting to the culvert and driveway so I thought it could be resolved.

JM – We could continue or drop it or possibly prolong it. Is there any advantage to any of these options. If we prolong it basically it cost us more. Is it going to do anything to this case 6 months from now?

BS – He hasn't used the culvert, he's just driving thru his yard. He hasn't even cut the yard; you should see how bad it is. You can't get in there anyway.

JM – Do you know what approximately this would cost to finish this to the end?

PB – It would be a part of a day trial, approximately \$1500 to \$2000.

CS – If we go forward with this and lose, it will set precedence but if we dismiss this and never do a thing it still sets precedence that we let that man build a driveway and we didn't do anything about it so anyone else near one of our roads can put in a driveway.

JM – If he lose will he have to pay for this, is it set up where if he loses he pays court cost, legal fees, etc. Or does he just remove the culvert.

PB – He'd only pay court filing fees and sheriff fees.

GT – My personal opinion is we've spent enough and we haven't gotten past square one. We can use this money for other things. I recommend or make a motion to drop it.

JS – We can't do that tonight because it's not an official meeting. You can do that at the next board meeting. There's nothing we can really do tonight except sit, listen and discuss. Where else do you see potential problems Bob?

BS – There's a gentleman that's land locked off West Lake for one and Dan Walk has his property right on the lake. Who's to say he doesn't want to get to his property, he could put a road in there. Currently there's no road there and not sure how that would work.

BH – Dan Walk already owns lake frontage.

BS – As far as roads are concerned, Ed Snell's property coming in on North lake Entrance and West Lake where this guy is land locked. My road is already a township road; Coultas and Gibbel both are. Could the township take Coultas and extend it into West Lake; it's only about 20'. Also, not sure who that gentleman is that wanted us to give him access to West Lake.

BH – Wallace has 20 acres but there's that other person that has the home off Emmerson just past West Lake that had those 4 lots. There is a row of trees that are on Sunset Lake property that separate our property from theirs. Also, there's quite a bit of distance between them.

BS – What if someone wants to take down trees or come across our property. Does that give us a stronger hold to keep someone from using our roads? What we have is a section on the lake, approximately 100 yards to get to our road. The gentleman that has property next to ours has 2 lots land locked and he's been wanting to put a road in there to sell those back 2 lots for homes. Could this guy take us to court to access our roads? Can he go over that 100 yards, cut down trees if we we're to lose this case with this culvert.

PB – This case would not affect that situation. These Supreme Court cases wouldn't apply to that situation but you may have other issues. There is what's called easement by necessity. So that depends on how he bought the property, from whom, was there 2 lots to begin with, who was the common owner.

BS – He bought the property and split them into 4 lots.

PB – The lot as a whole?

BS – There's one access and not sure if it goes all the way back. He'd have to build more roads. It would be cheaper for him to build a road to us and tap on.

PB – Then that's not easement by necessity. If he chose to split up that property before any of it was sold.

BH – He built that first home; he did that to himself. It's the house just past West Lake.

BS – I think originally it was Divjak and Rudhouse that had that property. My question is are we losing this case because McCaskey's property is real close to our road where as the other gentleman's property doesn't butt up to our roadway, it butts up to our property. Would that help us if this ever comes up later?

PB – This case and these Supreme Court cases have nothing to do with that situation.

JM – You're aware of what and how we're thinking, put the lawyer in the back pocket and what would you do?

PB – I would feel the same way you do.

GT – If that guy has property behind that house, it should be his responsibility.

BS – The gentleman messed his own lots by the way he built that first house. He's been wanting to get onto our roads so he can sell those 2 back lots. They won't be able to access them unless we let them but we're not going to do that. It's split into 3 or 4 different owners now. This was one of my biggest concerns because we didn't want more traffic than we have. It also answers the question about Walk coming across our property. Snell owns up to the road on North Lake but that's not our road anyway. He also has that property in CRP but that may never be used. Another question, what happens if Hays decides to put up 10 homes here off East Lake?

CS – He'd have to build a road coming off Jones Road.

BS – There are 2 owners to this area and lets say Hays decides not to farm this land any more and puts in houses, can we stop him. Or is there something we can do now to stop that from happening. We pay to maintain all this. What I understand with talking to the county, they're slowing making subdivisions pay taxes on their roads. So if we pay taxes on our roads and maintain them then that should give us a stronger hold.

PB – This is one of the factors the courts look at too.

BS – So if we did pay taxes, we'd have a better case?

PB – Yes.

BS – They've done this to a few subdivisions and they're going to look at Sunset Lake and another lake.

JM – This case does not fall under the access by necessity clause.

PB – No, it doesn't but it's a different situation. In the 2nd Supreme Court case it says the public's rights extend to the ways adjacent to the roadway.

BS – Would the judge look at the pictures of his yard and the junk he's bringing in? We don't want him bringing in these big trucks and heavy equipment tearing up our roads. Would that be a benefit to us. We're trying to protect ourselves, not wanting kids hurt while riding bikes, etc.

PB – The judge may consider that but it really doesn't make a difference legally.

JM – I could easily see if this was needed to improve things, from gravel to curb, nice blacktop and then now he needs access to our roadways. I can see that but I don't understand how he can say I want to put that there and it was allowed.

PB – I've been thinking about previous discussion and we may have an argument. The 2nd case on the ways adjacent to the roadway, public improvement and not simply access for private purpose that may be an argument.

CS – Maybe the 1st Supreme Court case still hold but the 2nd doesn't. The 1st case says it's a public road after 15 years. So what would you do?

PB – If I was a private individual and this was my farmland, I'd feel the same way you guys do. I wouldn't like it but if I seen the law was against me. I'm not one to take good money and chase after bad.

JM – So you wouldn't bother with guardrail either?

BS – Is that something we should think about doing now, putting up fencing or rails. Or is that just wasting our money. Is there anything we can do to stop someone from using our roads if they butt up next to ours?

PB – You get back to this case because the fact that it's a public road due to the passage of time. I think you'd have a lot stronger case with the situation you're talking about over here because #1 - a sub divider is making a profit, #2 – not contributing to maintenance and upkeep, and #3 – increasing traffic risk with accidents.

BS – That's only if someone was to create a subdivision not the guy that sells off a portion and the buyer builds a home? There's nothing we can do to stop them right?

PB – I'm not saying there's nothing you can do and I'm not saying we'll lose. I'm saying it's not a situation where I can say you guys definitely have a winner. There are some problems with this and I can't say you'd win.

JM – If we decide to put fencing around this property over here and they wanted access because they are subdividing, can they remove our fence in order to gain access.

PB – They'd probably go to court to get an order to remove it.

JM – Is there anyway we can increase McCaskey's cost so he'll drop this.

PB – You wouldn't want to increase his cost thru legal avenues because it would increase yours.

JS – What if we dismiss this and then put a fence up and have to go back to court to get it removed.

CS – We can't win based on the Supreme Court case.

PB – I didn't say you wouldn't win. I'm saying there are significant problems here. I've won cases that I didn't think we had a chance and I've lost cases that were what I thought a slamdunk. Judges are human and he may find there's a difference between the 2nd Supreme Court case with the adjacent ways and this case and we shouldn't have to put up with this. There's a situation in that case about public improvement, gutters and sidewalks. This guy for his own purpose he went on our property and accessed the roadway even though he's adjacent.

CS – But according to the 1st court case about the public roads after 15 years, if he wants to have access he can.

PB – He can use the roadway just like a school bus can but we have an argument that this would not be a public improvement.

BS – With him using this for commercial reasons, he is a contractor, moving equipment in and out would this help us in anyway?

PB – I don't think this makes a difference.

JS – What happens if he tears up our roads?

PB – If it was a negligence situation, if he was careless, it would be property damage and he would be responsible.

JM – So if we win this case will that call off any future developments?

PB – Probably not.

JM – With our investment in this decision, the final decision, if we continue to that point - it doesn't necessarily mean it will help us out in the next scenario?

PB – The decision is not binding precedence. It's precedent in the fact that they would consider it but it's not binding.

JS – At the next Board meeting we'll make a decision.

PB – One last question, if a leasee has a lot and wants to build a home or cabin and wanted to put in a driveway. Would the Building Committee have to okay the location of the driveway as well as the improvement, set back lines, distances, etc. Would the committee have to okay the driveway also?

JS – Yes.

BS – We approve the whole project.

PB – Another argument we could use to support this would be by granting McCaskey the ability to do this would be giving McCaskey greater rights than an association member could have to access that same roadway.

BS – With everything we brought up and discussed tonight, do you still think we have a 50/50 chance.

PB – It's really hard to say.

BS – We'll discuss it at the next board meeting and get back with you on a decision.

Meeting adjourned at 8:00 P.M.

SUNSET LAKE ASSOCIATION

AGENDA

August 2, 2005 7:00PM

CALL TO ORDER

ROLL CALL

VISITORS

SUPERINTENDANT'S REPORT

OFFICE MANAGER'S REPORT

APPROVAL OF THE MINUTES OF JULY 5, 2005

APPROVAL OF BILLS PAID FOR JULY 2005

COMMITTEE REPORTS:

AQUATIC CONTROL & WATER SAFETY

- JOHN MUNCHALFEN

BUILDING & CONSTRUCTION COMMITTEE

- GEORGE TOEPFER

DAM & GROUNDS COMMITTEE

- OPEN

FINANCE COMMITTEE

- CHERYL STINE

LEGAL & INSURANCE COMMITTEE

- KATE STEIGERWALD

ROADS COMMITTEE

- BOB SONS

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE

- RICK WHITEHEAD

WATER QUALITY & CONSERVATION

- STEVE KOLSTO

OLD BUSINESS -

NEW BUSINESS - Bob Dunham, Lot #39 & 40 - Building Permit

TRANSFERS - #27 Dept. of Veteran's Affairs to Robert Fishburn *
#37 John & Mary Fitzgerald to John & Carol Tavernor *
#61 Robert & Brenda Shaffer to Warren L. Ellis
#99,99A Edward & Phyllis Dorworth to Mark D. & Mary F. Buschhorn *
#101,101A Edward & Bernadine Burg to Paul F. & Amy M. Londrigan *
#112A Edith Scott to Shawn Busby *
#188,189 Robert E. & Dolores K. Alderson to Tomasi A.T. Leopardi
#191 Viola L. VanDyke to Michael B. & Nancy L. Chosich *
#266 Bertha P. Young to Mary B. Bourland & Diane M. Robinson
#274 Larry & Joan Newell to Richard & Karen Gibbel *

ADJOURNMENT -

*Upcoming Transfer

**SUNSET LAKE ASSOCIATION
MINUTES OF THE MONTHLY MEETING
AUGUST 2, 2005**

CALL TO ORDER: President John Schwandner called the meeting to order at 7:02 p.m. Also present for the meeting were Bob Sons, Cheryl Stine, Steve Kolsto, George Toepfer, John Munchalfen and Kate Steigerwald. Rick Whitehead arrived late.

VISITORS: Jim Seggelke #9B, Edith Luddeke #60, Ed Burg #101,A, Bill Harris #105-106, Evan & JoAnn Cain #131, Ray Reardon #256A-257 and Ed Snell #286

Evan Cain stated he lives at the end of East Lake and there are members speeding in boats down by his area. Evan said he has a hard time reading the lot numbers written on the stickers but was wondering if signs could be put up down there. John Schwandner said yes the numbers are small but also the color is a problem; yellow is not working. John stated we will not use yellow again and we should also increase the size of the stickers. John said if you do get the numbers off the boat, fill out a complaint form and we'll take care of it.

SUPERINTENDENT'S REPORT: Bill Hohimer stated the project at the bridge is completed except they'll be back to finish burying the brush (without any charge); we've stayed within budget on this project. John Schwandner questioned if there was enough riprap put down back there. Steve Kolsto said as slow as it is back there he felt there was enough riprap and it looked good. Bill noted there was still a lot of cleanup down there. Bob Sons and Steve Kolsto volunteered to help. Bill stated he spoke to Hank Sutton and he suggested putting Cyprus trees back there because the beaver won't bother them and they'll protect the shoreline. Bill said roads were \$9,564.73 and we stayed within the budget, driveways were \$2,223.83 and the drainage work was \$2,776.69. Bill noted the work done by Miller & Sons totaled \$8,242.10; the stumps down there in the water were not attached, they were just floating on top. John Schwandner questioned when Bill wanted to plant cypress trees; he said wasn't sure when but probably in the fall. Bill noted we could get some trees from conservation but they're usually small; Bob Sons said he would like to see larger trees. John Munchalfen questioned if we're going with any other species or are we only wanting to plant trees. Bill said he'd like to see several different types. John Munchalfen stated he'd like to see a couple different 3' trees and then some smaller plants. Steve Kolsto said in the office we have a list of plants, shrubs and trees used as buffers.

OFFICE MANAGER'S REPORT: Kyla Tanner stated she completed the quarterly taxes and had 3 orientations. Kyla said she worked on transfer papers and sent letters to members that have not paid their assessments. Kyla stated she also sent out interest invoices.

APPROVAL OF MINUTES OF JULY 5, 2005: A motion to approve the minutes of the July meeting was made by Kate Steigerwald and seconded by Steve Kolsto. Motion passed unanimously.

APPROVAL OF BILLS PAID FOR JULY 2005: Upon a motion by John Munchalfen and seconded by Steve Kolsto, the Board voted unanimously to approve the bills paid for July.

COMMITTEE REPORTS:

AQUATIC CONTROL AND WATER SAFETY: John Munchalfen stated he had nothing to report this month.

BUILDING AND CONTRUCTION COMMITTEE: George Toepfer stated he received 3 building permits; Kinsel #245 for a boat dock, Tavernor #276 for an extension on his deck, and Brand #281 for a cover on his boat dock. George said he signed the permit to add a second floor on the cabin at Lot #85. George noted there hasn't been any work started over there but they've had contractors out and say the block foundation will hold the 2nd story.

DAM & GROUNDS COMMITTEE: Bob Sons stated we had Peter Berrini, an engineer come out today to inspect the Dam and check the movement on the walls. Bob noted at the same time we had the state inspectors show up to assess the dam. Bob said they also wanted to close the books on the farm area that was used as a holding place when the lake was dredged; they took pictures of that and they're going to close the books. Bob noted the engineer said there were a few areas with the dam that could use some maintenance, some areas we may want to address. Bob said they took pictures and they'll get us a report on what they found. Bob noted they really didn't see anything major that we should be concerned with. Bob thanked Bill for keeping a close eye on the dam.

Bob stated not sure if everyone has heard they found this unknown algae at Otter Lake; Steve has all the information on this. Bob said he heard several stories that this can be transferred to our lake thru duck and geese, another concern is it's been so hot and we haven't had rain. Bob said while Peter Berrini was here and since Cochran & Wilken will be doing all our water testing now we talked about doing the sampling now. Bob said for a couple hundred dollars we can have the fecal coli tested and see how the water is doing. Bob said he picked up the sterile bottles and if Bill can do this or both of us tomorrow, he'd take them in and we'd have the results before the weekend. John Munchalfen asked if the sampling would be to test what they found at Otter Lake. Bob said no this would test for fecal coli; Steve said this is the testing that's done every year but generally done later in the year but because of the drought and hot weather it's best if we do it now. Steve also noted there hasn't been a drought like this since 1988. Cheryl Stine said she thinks it needs to be done. Ray Reardon said 5 or 6 years ago we didn't have a lot of rain and nothing was going over the dam so we stepped up the testing for the same concern. Bob said he told Peter they'd have the samples between 9:30 and 12:30. Bob and Bill agreed to meet at Bob's house at 7:30 to take the samples and Bill would run them to Springfield.

FINANCE COMMITTEE: Cheryl Stine stated total expenses were \$21,888.17 and income was \$3,808.66; income is at 93.1% of budget and expenses at 61.7%. Cheryl noted total assets are \$119,681.25, liabilities at \$44,335.00 and account receivables are at \$2,874.21.

LEGAL & INSURANCE COMMITTEE: Kate Steigerwald stated she was still assessing this committee.

ROADS COMMITTEE: Bob Sons stated he had nothing to report on roads.

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE: Rick Whitehead stated he had nothing to report.

WATER QUALITY & CONSERVATION: Steve Kolsto stated they have discovered Otter Lake has a blue/green algae that can release toxin called cylindrospermopsis; it's not the algae we have that's afloat. Steve said it's a stain 2 to 3 feet down in the water. Steve said he's been in conference calls all week with different people all across the state; Indiana had the same thing back in 2001 at a water treatment plant. Steve said they've done testing and say the normal water treatment will take care of toxin if there are any. Steve noted there are 2 labs in the United States running these test and they test for 2 things, one for cell bodies to see if the algae is there and if so they test for toxin. Steve said your drinking water is safe; how they found this was the taste and odor. Steve stated in trying to find out what was causing that, they took samples and sent them to individuals that could identify this. Steve noted one professor said it's the newest algae, the reason they're concerned is because the drought. Steve said he had a few handouts on this and according to all the information he has on this we don't have it. Steve stated it's not like the moss we have, it's a dark green stain 2 to 3 feet down. Steve said he checked Paul and Shirley Erley's report, the clarity reading for 2004 was 48" to 44" this year 38" and 36" which could be the drought and heat. Steve said it could also be because of the work we had done at the bridge. Steve noted last year the colors were 17 & 12 which are tan in color; this year was the exact same thing so from every indication and report we do not have cylindrospermopsis. Steve said EPA is gathering data from 10 lakes around the area, public water supplies and the 2 samples are \$800.00 each; one sample checks to see if the cell bodies are there and the other to see if they're toxin. Steve noted if toxin is being released it's most harmful to pets, wild animal, children and older people. Cheryl Stine questioned if they've restricted swimming at Otter Lake. Steve said no, they have the samples and there is a 48-72 hour turnaround so they should have the results back soon. Steve said there are actually 3 toxin, 2 go after the liver and 1 goes to the nervous system but that's what it can do but we don't know if there are any toxins there. Cheryl said that's Otter Lake and in looking at our colors you don't think we have anything to worry about. Steve said if it was in the lake we'd have a dark green color. Bob Sons asked if this was something that grows in the lake or transferred thru ducks and geese. Steve said as of now we don't know, someone asked if minnow buckets could transfer it from other lakes. Steve said we have the best individuals in the country working on this and they've never said anything about it being transferred. Steve said another thing he wanted to mention was we do not want to treat the moss that we have in our lake; we shouldn't even use copper sulfate. Steve said with this heat the moss will die and decay; it's an antirobic and will take oxygen out of the water killing the fish. Steve said he will continue to get information but we just need to wait for rain and cooler weather. Ed Snell questioned what prompted Otter Lake to start testing for this. Steve said the odor and taste of the water. John Schwandner questioned if using copper sulfate would kill the fish. Steve said quite possibly it could because all these mats that are floating will decay and die taking oxygen out of the water. John questioned if anyone on the lake could throw copper sulfate in without our permission. Bill Hohimer said he doesn't encourage it because they seem to think more is better. Steve said the conditions need to be right, the temperature and ph; they just can't be throwing that in. John Schwandner said maybe we should consider a new rule stating nobody can put copper sulfate in the lake without our permission. Cheryl Stine said that should be in the rules. Bob Sons said they need to at least talk to Bill. John Munchalfen questioned if someone was throwing this in the lake to kill the moss. John Schwandner said there was a member out here running around in circles to cut up the moss and then was going to throw in copper sulfate. John asked when the next newsletter went out. Kyla said the end of September or beginning of October. Cheryl made the motion to have a new rule stating no member can throw copper sulfate or anything

else in the lake without permission and Kate Steigerwald seconded the motion. The Board agreed unanimously. John Schwandner asked Cheryl to write up her motion. Steve Kolsto said he'd write up an article for the next newsletter about the effect of using this.

OLD BUSINESS:

Edith Luddeke, Lot #60 said she appreciated the fact the Board let her put up a portable fence for her dogs. Edith noted they put two electrical wires around the fence and used a small battery much like they use to train cattle, not a car battery. Edith said we only had this plugged in a few times so the dogs would realize if they tried to jump over it they'd get shocked. Edith noted she took the battery off but left the wires to make them think it's still there. John Schwandner said it's not a problem leaving the wires as long as there's no electricity going thru them.

NEW BUSINESS:

John Schwandner asked George Toepfer if he had any idea when Bob Dunham, Lot #39,40 would be finished with his home. George stated he had not talked to Mr. Dunham. John said the rules state a building permit is good for 1 year; he didn't get started until his year was almost over. George stated he was trying to do all the work himself. John said he's tired of looking at this; anyone living on that side of the lake sees the mess every day. Bob Sons said he's seen worse but we need some idea when he's planning on finishing and he needs to get an extension on the permit. John asked what the charge was to extend a permit. George said nothing. Cheryl Stine said this gentleman is not making any progress; he only has 4 rows of block in. Bob said we need to follow the procedures and send him a letter first stating he needs to renew his permit and give us some guidelines when he'll finish this. Bob said we need better progress; John said he would draw up a letter.

John Schwandner said it's time to start thinking about a new budget.

John Schwandner questioned why we only put one sticker on a canoe and paddleboat. Bob Sons said on a paddleboat the only place to put a sticker would be the back of the seat. John said he doesn't see any reason why we can't have two stickers on a canoe. Bob said we could give out two stickers for canoes and also kayaks. Cheryl Stine said we should redesign the stickers for next year; Bob said John Munchalfen could do that since he's the person over that committee.

Edith Luddeke questioned if we're suppose to have an Illinois sticker on our boat. John Schwandner said according to our Rules and Regulations you're supposed to but personally he wouldn't come after you if you didn't. Bob Sons said we don't have the authority to enforce it.

John Schwandner said last month Sam Lamendola came before the Board regarding these floating devices. John said we sent letters to a couple members that had these over 1/2 way across the cove. John noted in Section 38, Item 19. Docks may extend into the lake a maximum of 20 feet from the normal water level line and must be properly anchored on shore. No floating docks are allowed. In no case shall a dock extend more than 1/3 of the way across a bay. John questioned if this should be amended to say a dock or any floating device attached to the dock shall not extend more than 1/3 across. Cheryl Stine said she didn't think

this was necessary; we don't mind if they use them but just bring them in. Bob Sons said if they've been sent a letter, lets see if they comply. John said he doesn't mind if they're out there as long as they're using them. Bob said yes if they're not using them and they're in a small cove they should bring them in.

John Munchalfen said he's been noticing trucks with trailers at the boat ramp. John said he's been watching which boats out here doesn't look right, why would you live on the lake and pull your boat in and out. John noticed a boat going into a slip so he went out to get the lot number off the boat. John said what he wanted to find out was where that boat was set to be. Cheryl Stine said do you think someone gave his or her sticker away. John said this could be the case and wondered how to approach something like this. John said what could he do other than watching and waiting for that person to pull up; John wondered if there was a form letter that could be filled out that he could put on the truck. John said the form letter could say something like we've noticed your truck parked here and the boat in the water, we'd like you to come by the office and verify your information with Kyla. John said maybe we should ask for their driver's license number, just a nice pleasant form letter but something to get their attention that we've been watching. Bob Sons asked if this letter was something he wanted to write up or have Kyla do it. John said he'd probably put something together and have someone perfect it. John said he didn't want to over step his boundary but the letter would not be offensive. Bob Sons said there are members that don't live full-time, that are just weekenders but felt the letter may be a good idea. John Schwandner said he did not have a problem with this either.

Bob Sons said Rick Molaschi, Lot #121 sold his home and we held escrow for the septic system which is normal procedure. Bob said the septic system is 6 months old and is still guaranteed with Rick Maguire. Bob noted the escrow is to be held for 90 days but Rick asked if this was guaranteed by the contractor do we still need to hold the money. Cheryl Stine said yes because it's in the rules so we should leave it in escrow. The Board concurred.

TRANSFERS: The following transfers were approved upon motion by Bob Sons and seconded by Cheryl Stine.

#27 Dept. of Veteran's Affairs to Robert Fishburn
#37 John & Mary Fitzgerald to John & Carol Tavernor
#61 Robert & Brenda Shaffer to Warren L. Ellis
#99,99A Edward & Phyllis Dorworth to Mark D. & Mary F. Buschhorn
#101,101A Edward & Bernadine Burg to Paul F. & Amy M. Londrigan
#112A Edith Scott to Shawn Busby
#188,189 Robert E. & Dolores K. Alderson to Tomasi A.T. Leopardi
#191 Viola L. VanDyke to Michael B. & Nancy L. Chosich
#266 Bertha P. Young to Mary B. Bourland & Diane M. Robinson
#274 Larry & Joan Newell to Richard & Karen Gibbel

The Board agreed unanimously.

ADJOURNMENT: Upon motion by Cheryl Stine, seconded by George Toepfer, the Board agreed again by consensus to adjourn. The meeting adjourned at 8:10 p.m.

SUNSET LAKE ASSOCIATION

Monthly Financial Report

July 31, 2005

Cash on Hand as of 6/30/05	\$	10200
Checking Account Balance as of 6/30/05	\$	40800
Money Market Account Balance as of 6/30/05	\$	59,993.62
3-Month CD at 1.25% as of 6/30/05	\$	2,544.99
6-Month CD at 1.25% as of 6/30/05	\$	30,377.15
	\$	<u>93,425.76</u>

Minus Bills Paid

Louis Marsch, Inc.	\$11,788.56
Maguire Backhoe Co. (Culvert Work)	2,776.69
Rural Electric	314.72
Denby, Meno, & Bloomer	503.00
M&M Services (Gasoline)	948.94
Arnett Pipe & Supply (Culverts)	218.24
Central Equipment Sales (Truck Hoist Repairs)	94.04
Farm Plan (Oil Change)	34.95
Verizon	39.43
Verizon Wireless	39.51
Power Net Global	14.21
Nilwood Water	9.54
Cherry's (Lunch for Road Crew)	37.95
Petty Cash (100 \$.37 Stamps and PVC Pipe)	45.27
Il. Dept. of Revenue	362.88
Il. Director of Employment	82.26
Employers Tax & Withholding	933.88
Kyla Tanner - Net Salary	1,412.24
William Hohimer - Net Salary	<u>2,231.86</u>
Total Expenses	\$21,888.17

Plus Income

Driveways	\$ 2,223.83
Transfer Fees	1,200.00
Boat Sticker	86.50
Building Permits	50.00
Hall Rental	25.00
Earned by Maintenance Man	30.00
All Others	132.00
Interest	61.33

Total Income

\$ 3,808.66

Cash on Hand as of 7/31/05	\$	10200
Checking Account Balance as of 7/31/05	\$	40800
Money Market Account Balance as of 7/31/05	\$	41,914.11
3-Month CD at 1.25% as of 7/31/05	\$	2,544.99
6-Month CD at 1.25% as of 7/31/05	\$	30,377.15
	\$	<u>75,346.25</u>

SUNSET LAKE ASSOCIATION
Budget vs. Actual
 January through December 2005

	<u>Jan - Dec '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
Income				
0301 Annual Assessment	83,751.00	84,780.00	-1,029.00	98.8%
0301.3 Special Assmt Shed	83.33			
0305 Boat Permits	3,717.83	3,600.00	117.83	103.3%
0311 Building Permits	365.00	800.00	-435.00	45.6%
0313 Fines & Penalties	323.38	500.00	-176.62	64.7%
0325 Farm Income	1,600.00	3,200.00	-1,600.00	50.0%
0335 Interest Income	534.43	1,000.00	-465.57	53.4%
0391 Transfer Fees	5,200.00	6,600.00	-1,400.00	78.8%
0397 Cable Franchise Fee	1,008.11	1,200.00	-191.89	84.0%
0398 Earned by Maint. Man	722.50	1,200.00	-477.50	60.2%
0399 Miscellaneous Income				
Chlorine Tablets	440.00			
Copies	22.10			
Fax	18.00			
Hall Rental	125.00			
Sanitation Permit	50.00			
SLA Hats	160.00			
Sports/Chlorine Bottles	2.00			
0399 Miscellaneous Income - Other	481.50	3,000.00	-2,518.50	16.1%
Total 0399 Miscellaneous Income	<u>1,298.60</u>	<u>3,000.00</u>	<u>-1,701.40</u>	<u>43.3%</u>
Total Income	98,604.18	105,880.00	-7,275.82	93.1%
Expense				
0406 Professional Fees				
Accounting	665.00			
Legal Fees				
March, Jared	415.00			
McCaskey - Culvert	381.50			
Smith, Peggy & Michell	250.00			
Total Legal Fees	1,046.50			
0406 Professional Fees - Other	0.00	3,000.00	-3,000.00	0.0%
Total 0406 Professional Fees	<u>1,711.50</u>	<u>3,000.00</u>	<u>-1,288.50</u>	<u>57.1%</u>
0409 Office & Hall Supplies				
Copier Supplies	143.86			
Paper Supplies	180.87			
Postage	327.70			
Printing	332.15			
Service Contract -Copier	325.00			
0409 Office & Hall Supplies - Other	162.61	3,000.00	-2,837.39	5.4%
Total 0409 Office & Hall Supplies	<u>1,472.19</u>	<u>3,000.00</u>	<u>-1,527.81</u>	<u>49.1%</u>
0411 R & M- Lake	45.00	500.00	-455.00	9.0%
0411.1 Fish Stocking	0.00	2,500.00	-2,500.00	0.0%
0412 R & M -Grounds	421.13	500.00	-78.87	84.2%
0414 R & M -Roads	12,792.61	10,000.00	2,792.61	127.9%
0415.5 Conservation & Watershed	1,500.00	3,000.00	-1,500.00	50.0%
0416 R & M Equipment	430.83	2,000.00	-1,569.17	21.5%
0418 Gas & Oil	1,815.20	2,500.00	-684.80	72.6%

SUNSET LAKE ASSOCIATION
Budget vs. Actual
January through December 2005

	<u>Jan - Dec '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
0430 Utilities				
Gas & Electric	3,114.38			
Telephone	562.08			
Water	66.54			
0430 Utilities - Other	<u>0.00</u>	<u>6,300.00</u>	<u>-6,300.00</u>	<u>0.0%</u>
Total 0430 Utilities	<u>3,743.00</u>	<u>6,300.00</u>	<u>-2,557.00</u>	<u>59.4%</u>
0434 Insurance				
Comm. Auto	1,030.00			
Comm. Property	3,484.00			
Comm. Umbrella Liability	775.00			
Notary Bond	13.00			
Workers Compensation	1,692.00			
0434 Insurance - Other	<u>0.00</u>	<u>8,000.00</u>	<u>-8,000.00</u>	<u>0.0%</u>
Total 0434 Insurance	<u>6,994.00</u>	<u>8,000.00</u>	<u>-1,006.00</u>	<u>87.4%</u>
0442 Property Tax	0.00	4,200.00	-4,200.00	0.0%
0498 Miscellaneous Expense	816.75	2,000.00	-1,183.25	40.8%
Equipment Reserve	94.04	1,800.00	-1,705.96	5.2%
Payroll Expenses				
0402 Superintendant	19,530.00	33,480.00	-13,950.00	58.3%
0404 Secretary Salary	11,025.00	18,900.00	-7,875.00	58.3%
0440 Employment Tax Expense	<u>2,966.44</u>	<u>4,200.00</u>	<u>-1,233.56</u>	<u>70.6%</u>
Total Payroll Expenses	<u>33,521.44</u>	<u>56,580.00</u>	<u>-23,058.56</u>	<u>59.2%</u>
Total Expense	<u>65,357.69</u>	<u>105,880.00</u>	<u>-40,522.31</u>	<u>61.7%</u>
Net Income	<u><u>33,246.49</u></u>	<u><u>0.00</u></u>	<u><u>33,246.49</u></u>	<u><u>100.0%</u></u>

SUNSET LAKE ASSOCIATION

Balance Sheet

As of July 31, 2005

	<u>Jul 31, '05</u>	
ASSETS		
Current Assets		
Checking/Savings		
0100 Cash on Hand	102.00	
0120 Checking Acct.	44,743.00	*
0125 First National Bank- ...	41,914.11	
0131 FNB-CD (3-Month CD)	2,544.99	
0135 FNB-CD (6-Month CD)	30,377.15	
Total Checking/Savings	<u>119,681.25</u>	
Total Current Assets	<u>119,681.25</u>	
TOTAL ASSETS	<u><u>119,681.25</u></u>	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
0200 Escrow	44,335.00	
Total Other Current Liabilit...	<u>44,335.00</u>	
Total Current Liabilities	<u>44,335.00</u>	
Total Liabilities	<u>44,335.00</u>	
TOTAL LIABILITIES & EQUITY	<u><u>44,335.00</u></u>	

* INCLUDES \$44,335.00 OF ESCROW FUNDS.

SUNSET LAKE ASSOCIATION

AGENDA

September 6, 2005 7:00PM

CALL TO ORDER

ROLL CALL

VISITORS

SUPERINTENDANT'S REPORT

OFFICE MANAGER'S REPORT

APPROVAL OF THE MINUTES OF AUGUST 2, 2005

APPROVAL OF BILLS PAID FOR AUGUST 2005

COMMITTEE REPORTS:

AQUATIC CONTROL & WATER SAFETY	- JOHN MUNCHALFEN
BUILDING & CONSTRUCTION COMMITTEE	- GEORGE TOEPFER
DAM & GROUNDS COMMITTEE	- OPEN
FINANCE COMMITTEE	- CHERYL STINE
LEGAL & INSURANCE COMMITTEE	- KATE STEIGERWALD
ROADS COMMITTEE	- BOB SONS
SANITATION, SHORELINE & BOAT DOCKS COMMITTEE	- RICK WHITEHEAD
WATER QUALITY & CONSERVATION	- STEVE KOLSTO

OLD BUSINESS - Bob Dunham, Lot #39 & 40 - Building Permit

NEW BUSINESS - Elsby & Margaret Goetges' (#184-187) request to sell lot.
Spillway Evaluation

TRANSFERS - #80 Walter Jacober to White Lightning Janitorial, Inc.*
#136 Shelby McKinney to John & Lynn Rentel*

ADJOURNMENT -

*Upcoming Transfer

**SUNSET LAKE ASSOCIATION
MINUTES OF THE MONTHLY MEETING
SEPTEMBER 6, 2005**

CALL TO ORDER: President John Schwandner called the meeting to order at 7:00 p.m. Also present for the meeting were Bob Sons, Cheryl Stine, Steve Kolsto, George Toepfer, John Munchalfen, and Kate Steigerwald. Rick Whitehead was absent.

VISITORS: Clarke Steigerwald #7, Jim Seggelke #9B, Bill & Linda Urban #36, Bob & Shirley Dunham #39,40, Ed Burg #98, Bill Harris #105,106, Ray Reardon #256A, 257 and Ed Snell #286

SUPERINTENDENT'S REPORT: Bill Hohimer stated there hasn't been much grass cutting this month. Bill noted he'd been cleaning up burn piles and moving dirt. Bill stated he took 15 loads of dirt to an area off Hickory Lane and has that reseeded. Bill noted the clutch in the tractor went out and it's been sent to the repair shop. Bill said he also put up signs ("No Parking", "Private Property" and "Must have SLA Sticker on Boat").

OFFICE MANAGER'S REPORT: Kyla Tanner stated she had 3 orientations and worked on transfer papers. Kyla said she put together 15 Rule & Regulations booklets and sent out interest invoices.

APPROVAL OF MINUTES OF AUGUST 2, 2005: A motion to approve the minutes of the August meeting was made by Cheryl Stine and seconded by Steve Kolsto. Motion passed unanimously.

APPROVAL OF BILLS PAID FOR AUGUST 2005: Cheryl Stine stated the total expenses for this month were \$15,559.74. Cheryl said John Miller & Sons was for the cleanup done at the East end and riprap. Cheryl stated ½ the Macoupin County taxes were paid and Cochran & Wilken was paid for the water testing that we did early this year. Cheryl noted Peachtree Business and Champion America were for signs and M&M Services was for grass seed; the remainder is normal monthly bills.

Upon a motion by John Munchalfen and seconded by Kate Steigerwald, the Board voted unanimously to approve the bills paid for August.

COMMITTEE REPORTS:

AQUATIC CONTROL AND WATER SAFETY: John Munchalfen stated there were a few boats on the lake going too fast and he talked to the members. John said the Department of Conservation suggested not stocking fish this year so he has not order any. John said he wanted to ask the Board for their opinion, should we take the money and apply this to future removal of weeds. John said this year we have this green moss growth and under that in some areas you can really notice the plant life growing. John stated just like you

cut the lawn when the grass grows, he wondered if there's something that we could use to cut the weeds under the water. John asked the board for their thoughts. Steve Kolsto questioned if he was talking about spraying. John said not really, what he thought something water-based that would draw it out, put it on land, let it dry out and we'd then dispose of it. John noted he thought some type of harvesting tool that you could maybe put on a pontoon. Steve Kolsto said there is a harvester, something like a floating lawn mower. John questioned Steve if he felt we may be in a situation like the past where the lake was grown up with weeds, if so do we want to control this chemically. John said this might be something we need to start thinking about. John Schwandner said if we are going to do this chemically be very careful because you can kill everything. Steve Kolsto said his observation was the algae is because lack of rain and extreme temperature. Steve stated he hates to spend money on this and we may not have the same problem next year. Cheryl Stine said she thinks Steve should check on that mowing device just in case we have this problem in the Spring or next Fall, we could get this piece of equipment and take care of the problem. John Munchalfen said something is going to happen in a few years and he wants to get a jump on it. John said chemicals properly installed may be the best solution, he doesn't know. John Schwandner said we need someone besides amateurs to do that. Steve said he would definitely hesitate to do that now because of the temperature, there's a lot of factors that go into spraying weeds. Bob Sons said we could take the money for the fish stocking this year and set it aside for next year. John Munchalfen said if the board is okay with it, he's not going to apply the money to fish stocking this year but roll it over to next year. John Schwandner said we should take DNR's advice about not adding any fish. John Munchalfen made the motion not to apply the money to fish stocking this year but roll it over to next year for possible research on weed control. George Toepfer seconded the motion and the Board approved unanimously. John Munchalfen said the Department of Resources also said one way to control weeds is reduce the water level for a season and that will help. John stated currently we are below normal water levels, not sure how far but at least a foot. Steve Kolsto said there's a difference between weeds and aquatic plants. Steve noted what we are seeing on the surface is algae and reducing the water levels would worsen things; it grows in shallow waters. Bob Sons said someone was asking him if they put in a pump or waterfall to help move the water, would that help eliminate the algae. Steve said rain and cooler temperatures would help break that up; an aerator will help move it around but won't eliminate it. Bob said where Dorworth (Lot #99) dug out the cove it's pretty low over there. Steve stated at this point in time, using a rake is about the only way to remove the algae. Bob said he's noticed a lot of growth under the water. John Munchalfen said he started dropping structures in between the spillway wall and island, not actually in front of anyone's property. John said there are a few key ways to know where he's placed them and if anyone had any suggestions where to place the remainder, let him know.

BUILDING AND CONTRUCTION COMMITTEE: George Toepfer stated he received a permit from John Tavernor #37 to build a covered boat dock, Ron Draege #223 for a deck, Tami Hickman #27 revamp the pool, put on a new roof and other home improvements and Bill Moake #111 for a small boat dock.

DAM & GROUNDS COMMITTEE: Cheryl Stine said we received the spillway evaluation back from Cochran & Wilken. Bill Hohimer said in the 2001 Inspection report they recommended the septic effluent pipe that was on the West side be moved south past the spillway; this was brought up again in this evaluation but this was already done. Bob Sons said they did say the dam looked good. Cheryl Stine questioned if we need the \$2,900 test to probe the soil they are suggesting. Cheryl said is this something we want to budget for next year or should we do it now. John Schwandner said he feels we need to do the work but wait until Spring. Bob said we know we need to do something to stop the erosion; lets work it into the budget for next year. Bob said he would contact Cochran & Wilken and see if we can still get this done in the Spring for \$2,900. Cheryl questioned if we were approving them to send the invoice for the evaluation done on August 2nd. Bob said he'd also check if the \$1,000 is part of the \$2,900.

FINANCE COMMITTEE: Cheryl Stine stated total income this month was \$3,828.32 and 96.6% of Budget; total expenses are at 76.3%. Cheryl said Assets are \$117,574.83 and Liabilities are \$53,960.00. Cheryl noted our Accounts Receivable balance is at \$2,544.47.

LEGAL & INSURANCE COMMITTEE: Kate Steigerwald stated nothing to report. Bob Sons said something he noticed on the Lake Shore Lease was Item #4 (Assessments & Fees) for those members that owe the Association money we can cancel their lease. Bob stated we could send them a copy of the lease with their name on it, the dollar figure due and a 30-day notice if this is not paid we can take possession of their property. Cheryl Stine questioned if this was something the lawyer needs to do to make it official. John Schwandner said we don't need to pay the attorney to do this. Bob said give these individuals a reminder we can take their property; thought Kyla could take a copy of the signed lease and send them a letter. Bob said we only want to send letters to members that have this Item #4 on their lease. Ray Reardon asked if there was some type of threshold as to what they owed; you could have a member that's been here for years and owes only \$100 or \$200. Bob said we are not going to send a letter to those that owe \$27.00 for a leaf fine. John Schwandner said it would be those that haven't paid their assessments. Cheryl said in the letter we need to reference the Lease and Item numbers.

ROADS COMMITTEE: Bob Sons stated there was nothing to report on the roads. Bob asked if we got the tractor down by the bridge to break some of that brush up; John Early was supposed to bring his disc over to break that up. Bill said John has not brought his disc yet. Bill noted he has hauled some sticks to the burn pile and that fire is still going.

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE: Rick Whitehead was absent.

WATER QUALITY & CONSERVATION: Steve Kolsto thanked Bill and Bob for doing the yearly water samples and taking them to Cochran & Wilken. Bob Sons said that was the fecal coli test and questioned if Steve would be testing for anything else this year. Steve said he did mention to John that he did see some blue/green algae. Steve stated he talked to Cochran & Wilken and they noticed it too in the water sample but it's not toxic.

Steve said he doesn't think any more testing is necessary because we are at the worst time of the year and the results came back good. Steve said you've probably noticed the drinking water smells and taste better. Steve noted Otter Lake would be having the Cardboard Boat Regatta that they cancelled before because of the algae. Steve said he wanted to make everyone aware that Paul and Shirley Erley for the past 10 years or more have been a part of the volunteer lake-monitoring program, guardians over the lake. Steve said they test the water twice a month in 3 different spots and they fill out a report. Steve noted August 9th on the second transparency they could see down 28 inches; this time of year and with the extreme temperatures that is excellent. Steve said on August 30th the transparency is getting less but is normal for this time of year. Steve said he'd like Kyla to thank Paul and Shirley in the next newsletter.

OLD BUSINESS:

Robert Dunham, #39,40 stated the Board requested he put together a timetable as to when he'd be finished with his building project. Mr. Dunham said things have picked up considerable since he received the letter and asked for an extension until 12-31-05. After much discussion, George Toepfer made a motion to extend the building permit and John Munchalfen seconded the motion. The Board approved.

John Schwandner questioned Giacomini's riprap. Kyla stated according to the letter we sent them they have until September 30th. Bill Harris said they were down working this weekend.

Bob Sons asked if letters were sent to those individuals with floating devices. John Schwandner stated yes we sent letters; Kyla said Gorman (Lot #169) and Tweed (Lot #170) received letters. John said the ones we sent letters to have conformed because he checked on this. Bob said over the weekend he saw a floating device anchored in the middle of the bay but wasn't sure who it belonged to. Bob said he thought it was between Hickory and Sunset or Oak and Hickory. Cheryl Stine said maybe we should issue a non-motorized sticker so we can keep track of them. Bob said if they're not being used they should pull them in close to the dock. Cheryl said maybe we could put a reminder in the next newsletter.

NEW BUSINESS:

John Schwandner said we have a request from Margaret Goetges, Lot #184-187. John said Jacoby who was the previous lessee, requested in 1984 that 2 of the 4 lots be combined. John said the agreement between Jacoby and Sunset Lake was if they ever wanted to split those lots apart, they would pay all back assessments and have a new survey done. John said the lady who has the property now wants to split those lots but does not want to pay back the assessments. John said they're wanting to sell Lot #184 and his understanding was there's not room to build a house on it. Bob Sons said according to the survey there's only 23 feet of water and he feels they need to stay with the original agreement. Cheryl Stine said that was her thoughts too. Kate Steigerwald made a motion to abide by the original agreement and Steve Kolsto seconded the motion. John Munchalfen said according to the Bylaws it states you need 2/3's vote of the Board to divide a lot. John said his understanding of this agreement is if they choose to pay back assessments they can split the property. Bob said we may have it in our Bylaws but they have an agreement signed by the Board at that time. John Schwandner said he doesn't think they have a sale. Cheryl said the original agreement says they can split the lot if they pay back assessments and the Board approves it.

Bob said we are not approving it at this time but we need to vote on it. Board agreed unanimously to abide by original agreement.

John Schwandner told Cheryl we need a budget by the October 4th meeting so we can approve it and then present it at the Annual meeting. John said he'd help with this if she wanted; Cheryl Stine said she'd get something together and let him know. John said the Annual Meeting is October 20th and we have 3 terms expiring, John Earley, Rick Whitehead and his. John said start thinking about candidates because we know Earley is not planning on running and we're not sure about Rick.

John Schwandner said something else he wanted to mention but does not require any action. John stated there seems to be a problem between Jacober, Lot #81 and Kimble, Lot #82. John noted the foundation for the mobile home varied 3 feet over onto Lot #81. Bob Sons said the survey may need to be redone. Bob said he wasn't saying who moved what but when this permit was approved they had everything staked out and it was okay. Bob stated he wasn't sure if the surveyor had the right marks. John said where the markers are now Kimble is 3 feet over. Bob said when he was out there with Allan before they started building, everything was stacked out and they were well within their boundaries. Bob noted things could have been moved later because they lied on the whole deal. John said considering who they bought the lot from nothing would surprise him. John said he told the realtor this was the property owners problem not ours, find a surveyor and let him prove to them that's where the pin belongs. John said he just wanted to mention it but it's just general information.

Ray Reardon thanked the Board of Directors for the "No Parking" sign at the boat ramp. Ray said his boy questioned him if there was camping allowed on the Island and he said he'd ask the Board. Cheryl Stine said we could have a major liability. Bob Sons said that's why we have insurance. Steve Kolsto asked what's the difference between camping on the island and tying your boat up and fishing from the island for a few hours. Steve said why not draw up a camping permit and have the member sign it releasing us from any liability. Steve noted also we'd know if there is any garbage left or damage done who to send the fine to. John Schwandner said we could have a hold harmless form. Bill Hohimer said he didn't see that it would be a problem to camp on the island. John Munchalfen said it might keep the geese from nesting at the island. Kate Steigerwald said she'd put together a form so the board can look at it.

ADJOURNMENT: Upon motion by George Toepfer, seconded by Bob Sons, the Board agreed again by consensus to adjourn. The meeting adjourned at 8:15 p.m.

SUNSET LAKE ASSOCIATION

Monthly Financial Report

August 31, 2005

Cash on Hand as of 7/31/05	\$ 10200
Checking Account Balance as of 7/31/05	\$ 40800
Money Market Account Balance as of 7/31/05	\$ 41,914.11
3-Month CD at 1.25% as of 7/31/05	\$ 2,544.99
6-Month CD at 1.25% as of 7/31/05	\$ 30,377.15
	<u>\$ 75,346.25</u>

Minus Bills Paid

John Miller and Sons (Clean up on East Side of Lake by Bridge)	\$ 8,242.10
Macoupin County (1* Half of Property Taxes)	1,784.78
Cochran & Wilken, Inc. (Water Testing)	204.00
Rural Electric	263.88
Peachtree Business (Signs)	182.80
Champion America, Inc. (Tape & Signs)	88.16
M&M Services (Grass Seed)	62.25
Verizon	38.27
Verizon Wireless	34.36
Power Net Global	14.06
Nilwood Water	10.73
Petty Cash (100 - \$.37 Stamps & Foam Board for Float)	56.37
Employers Tax & Withholding	933.88
Kyla Tanner - Net Salary	1,412.24
William Hohimer - Net Salary	<u>2,231.86</u>
Total Expenses	\$15,559.74

Plus Income

Transfer Fees	\$ 2,400.00
Assessments & Penalties	607.00
Building Permits	220.00
Driveways	135.00
Earned by Maintenance Man	55.00
Boat Stickers	28.50
Hall Rental	25.00
All Others	305.00
Interest	52.82
	<u>\$ 3,828.32</u>
Total Income	\$ 3,828.32

Cash on Hand as of 8/31/05	\$ 10200
Checking Account Balance as of 8/31/05	\$ 40800
Money Market Account Balance as of 8/31/05	\$ 30,174.66
3-Month CD at 1.25% as of 8/31/05	\$ 2,553.02
6-Month CD at 1.25% as of 8/31/05	\$ 30,377.15
	<u>\$ 63,614.83</u>

SUNSET LAKE ASSOCIATION
Budget vs. Actual
January through December 2005

	Jan - Dec '05	Budget	\$ Over Bud...	% of Budget
Income				
0301 Annual Assessment	84,331.00	84,780.00	-449.00	99.5%
0301.3 Special Assmt Shed	83.33			
0305 Boat Permits	3,746.33	3,600.00	146.33	104.1%
0311 Building Permits	585.00	800.00	-215.00	73.1%
0313 Fines & Penalties	350.38	500.00	-149.62	70.1%
0325 Farm Income	1,600.00	3,200.00	-1,600.00	50.0%
0335 Interest Income	587.25	1,000.00	-412.75	58.7%
0391 Transfer Fees	7,600.00	6,600.00	1,000.00	115.2%
0397 Cable Franchise Fee	1,008.11	1,200.00	-191.89	84.0%
0398 Earned by Maint. Man	777.50	1,200.00	-422.50	64.8%
0399 Miscellaneous Income				
Chlorine Tablets	490.00			
Copies	22.10			
Fax	20.00			
Hall Rental	150.00			
Sanitation Permit	70.00			
SLA Hats	225.00			
Sports/Chlorine Bottles	10.00			
0399 Miscellaneous Income - Other	641.50	3,000.00	-2,358.50	21.4%
Total 0399 Miscellaneous Income	1,628.60	3,000.00	-1,371.40	54.3%
Total Income	102,297.50	105,880.00	-3,582.50	96.6%
Expense				
0406 Professional Fees				
Accounting	665.00			
Legal Fees				
March, Jared	415.00			
McCaskey - Culvert	381.50			
Smith, Peggy & Michell	250.00			
Total Legal Fees	1,046.50			
0406 Professional Fees - Other	0.00	3,000.00	-3,000.00	0.0%
Total 0406 Professional Fees	1,711.50	3,000.00	-1,288.50	57.1%
0409 Office & Hall Supplies				
Copier Supplies	143.86			
Paper Supplies	180.87			
Postage	364.70			
Printing	332.15			
Service Contract -Copier	325.00			
0409 Office & Hall Supplies - Other	181.98	3,000.00	-2,818.02	6.1%
Total 0409 Office & Hall Supplies	1,528.56	3,000.00	-1,471.44	51.0%
0411 R & M- Lake	45.00	500.00	-455.00	9.0%
0411.1 Fish Stocking	0.00	2,500.00	-2,500.00	0.0%
0412 R & M -Grounds	754.34	500.00	254.34	150.9%
0414 R & M -Roads	12,657.61	10,000.00	2,657.61	126.6%
0415.5 Conservation & Watershed	2,779.00	3,000.00	-221.00	92.6%
0416 R & M Equipment	430.83	2,000.00	-1,569.17	21.5%
0418 Gas & Oil	1,815.20	2,500.00	-684.80	72.6%

SUNSET LAKE ASSOCIATION
Budget vs. Actual
January through December 2005

	<u>Jan - Dec '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
0430 Utilities				
Gas & Electric	3,378.26			
Telephone	648.77			
Water	77.27			
0430 Utilities - Other	<u>0.00</u>	<u>6,300.00</u>	<u>-6,300.00</u>	<u>0.0%</u>
Total 0430 Utilities	<u>4,104.30</u>	<u>6,300.00</u>	<u>-2,195.70</u>	<u>65.1%</u>
0434 Insurance				
Comm. Auto	1,030.00			
Comm. Property	3,484.00			
Comm. Umbrella Liability	775.00			
Notary Bond	13.00			
Workers Compensation	1,692.00			
0434 Insurance - Other	<u>0.00</u>	<u>8,000.00</u>	<u>-8,000.00</u>	<u>0.0%</u>
Total 0434 Insurance	<u>6,994.00</u>	<u>8,000.00</u>	<u>-1,006.00</u>	<u>87.4%</u>
0442 Property Tax	1,784.78	4,200.00	-2,415.22	42.5%
0498 Miscellaneous Expense	816.75	2,000.00	-1,183.25	40.8%
Capital Improvements	7,167.10			
Equipment Reserve	94.04	1,800.00	-1,705.96	5.2%
Payroll Expenses				
0402 Superintendent	22,320.00	33,480.00	-11,160.00	66.7%
0404 Secretary Salary	12,600.00	18,900.00	-6,300.00	66.7%
0440 Employment Tax Expense	<u>3,179.42</u>	<u>4,200.00</u>	<u>-1,020.58</u>	<u>75.7%</u>
Total Payroll Expenses	<u>38,099.42</u>	<u>56,580.00</u>	<u>-18,480.58</u>	<u>67.3%</u>
Total Expense	<u>80,782.43</u>	<u>105,880.00</u>	<u>-25,097.57</u>	<u>76.3%</u>
Net Income	<u><u>21,515.07</u></u>	<u><u>0.00</u></u>	<u><u>21,515.07</u></u>	<u><u>100.0%</u></u>

SUNSET LAKE ASSOCIATION

Balance Sheet

As of August 31, 2005

	<u>Aug 31, '05</u>
ASSETS	
Current Assets	
Checking/Savings	
0100 Cash on Hand	102.00
0120 Checking Acct.	54,368.00 *
0125 First National Bank- ...	30,174.66
0131 FNB-CD (3-Month CD)	2,553.02
0135 FNB-CD (6-Month CD)	30,377.15
Total Checking/Savings	<u>117,574.83</u>
Total Current Assets	<u>117,574.83</u>
TOTAL ASSETS	<u><u>117,574.83</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
0200 Escrow	53,960.00
Total Other Current Liabilit...	<u>53,960.00</u>
Total Current Liabilities	<u>53,960.00</u>
Total Liabilities	<u>53,960.00</u>
TOTAL LIABILITIES & EQUITY	<u><u>53,960.00</u></u>

* INCLUDES \$53,960.00 OF ESCROW FUNDS.

SUNSET LAKE ASSOCIATION
Accounts Receivable Balance
As of August 31, 2005

	<u>Aug 31, '05</u>
#27	362.85
Brown, Neil M. & Julie - #239	27.75
Hipsher, Randy - #26	315.23
Robson, George R. & Patty - #154,A	800.00
Secrist, Sharon - #212	315.23
Shirvis, Daniel T. & Claudia M.- #110	27.75
Trapp, Robert G. - #97	212.23
Williams, Jr., James W. - #95	53.81
Wyatt, James - #1	<u>429.62</u>
TOTAL	<u><u>2,544.47</u></u>

SUNSET LAKE ASSOCIATION

AGENDA

October 4, 2005 7:00PM

CALL TO ORDER

ROLL CALL

VISITORS

SUPERINTENDANT'S REPORT

OFFICE MANAGER'S REPORT

APPROVAL OF THE MINUTES OF SEPTEMBER 6, 2005

APPROVAL OF BILLS PAID FOR SEPTEMBER 2005

COMMITTEE REPORTS:

AQUATIC CONTROL & WATER SAFETY	- JOHN MUNCHALFEN
BUILDING & CONSTRUCTION COMMITTEE	- GEORGE TOEPFER
DAM & GROUNDS COMMITTEE	- OPEN
FINANCE COMMITTEE	- CHERYL STINE
LEGAL & INSURANCE COMMITTEE	- KATE STEIGERWALD
ROADS COMMITTEE	- BOB SONS
SANITATION, SHORELINE & BOAT DOCKS COMMITTEE	- RICK WHITEHEAD
WATER QUALITY & CONSERVATION	- STEVE KOLSTO

OLD BUSINESS - Giacomini's RipRap
Island - Hold Harmless Form

NEW BUSINESS - Final Plans for Annual Meeting

TRANSFERS - #80 Walter Jacober to White Lightning Janitorial, Inc.
#136 Shelby McKinney to John & Lynn Rental
#159 Ronald P. & Penny L. Richison to Ronald D. Bricker *

ADJOURNMENT -

*Upcoming Transfer

**SUNSET LAKE ASSOCIATION
MINUTES OF THE MONTHLY MEETING
OCTOBER 4, 2005**

CALL TO ORDER: President John Schwandner called the meeting to order at 7:02 p.m. Also present for the meeting were Bob Sons, Steve Kolsto, George Toepfer, Rick Whitehead, and Kate Steigerwald. Cheryl Stine and John Munchalfen were absent.

VISITORS: Clarke Steigerwald #7, Jim Seggelke #9B, Bill Urban #36, Ed Burg #98, Robert Gomora #128, Ray Reardon #256A,257 (arrived late), Jim Dorr #284, and Ed Snell #286

SUPERINTENDENT'S REPORT: Bill Hohimer stated he's back to cutting grass. Bill noted he'd been picking up more sticks down by the bridge. Bill said he's going to get with John Earley to get that reseeded; John ordered the grass seed. Bill stated he'd also done some black patching and the tractor is back from the repair shop.

OFFICE MANAGER'S REPORT: Kyla Tanner stated she had 2 orientations and prepared transfer papers. Kyla noted she'd also been working with title companies to get paperwork back on previous transfers. Kyla said she'd been putting together the Annual packet and also sent out interest invoices.

APPROVAL OF MINUTES OF SEPTEMBER 6, 2005: John Schwandner stated on the last page where we're talking about Lots #81 and #82 it should say "staked" instead of "stacked". A motion to approve the amended minutes of the September meeting was made by Steve Kolsto and seconded by George Toepfer. Motion passed unanimously.

APPROVAL OF BILLS PAID FOR SEPTEMBER 2005: Cheryl Stine was absent. John Schwandner questioned under income on the Financial Report, did we received all the money for Lot #27. Kyla stated yes, \$312.85 was under Assessments/Penalties and \$50.00 went to Earned by Maintenance Man because Bill had done some cleanup over there they still owed for.

Upon a motion by Kate Steigerwald and seconded by Steve Kolsto, the Board voted unanimously to approve the bills paid for September.

COMMITTEE REPORTS:

AQUATIC CONTROL AND WATER SAFETY: John Munchalfen was absent. Steve Kostko stated he had a boat in his cove without a boat sticker. Steve said he wrote down the type of boat and the IL number and he'd give it to Kyla.

BUILDING AND CONTRUCTION COMMITTEE: George Toepfer stated he had one building permit this month. George said Mike and Nancy Chosich #191 submitted a permit for a new roof, replace the cellar door and fix the garage door.

DAM & GROUNDS COMMITTEE: John Schwandner asked if we received a bill from Cochran and Wilken for the spillway evaluation; Kyla said no. John stated we'd wait to hear from them.

FINANCE COMMITTEE: Cheryl Stine was absent.

LEGAL & INSURANCE COMMITTEE: Kate Steigerwald stated she put together the hold harmless form for camping at the Island. Kate noted she tried e-mailing it to Kyla but for some reason it wouldn't work. Kate said we'd have it ready for the next meeting.

ROADS COMMITTEE: Bob Sons stated Ray Stansberry had stopped him regarding some potholes in the road by his house but Bill has already taken care of this.

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE: Rick Whitehead stated he had nothing to report.

WATER QUALITY & CONSERVATION: Steve Kolsto stated he made an appointment with Megan at Cochran & Wilken to see if there's other test that need to be done on the water.

OLD BUSINESS:

John Schwandner noted we sent Giacomini, Lot #107 a letter stating we've started the fining process for the riprap not being done.

NEW BUSINESS:

Ed Snell stated he was approached by someone from Royell Communications regarding putting up a tower out here so the members could have wireless internet (high speed broadband). Ed said they've done some sampling as to where they'd get a good signal and thought on the north side of the lake just off North Lake Road across from the Pine Pond. Ed stated because we are having a mailing go out soon, Royell wanted to know if they could put a flyer in our annual mailing to see if there's enough members interested in having wireless internet. Ed noted they wanted to get some feedback if there's enough interest to justify putting in a tower. John Schwandner questioned if it would only serve members at Sunset Lake. Ed said Sunset Lake would be the majority but it would also serve anyone they can reach with the 100-foot tower. Kate Steigerwald asked if they'd be paying the postage. Ed said no, they figured we're paying postage anyway. John questioned where the tower would be. Ed said down at the end of North Lake entrance, the high part of the bean field. John questioned if it was Hays' bean field. Ed said no, it's the Association's field but Hays farms it. Bob Sons said he didn't have a problem with it because he could see us eventually making money off it, a percentage or monthly allowance. Bob said his opinion was the mailing is going out anyway. Ed said his only concern was setting precedence by putting someone else's flyer in our mailing. Ed said he's talked to Bill and they seem to think we've done this before.

Kate Steigerwald said she felt they should pay something. Bob said he's assuming there would be quite a few people at the Lake interested plus those around this area that can tie into the tower; this would be more money for the Association. Bob noted we're losing money on cable each year because more members are going with satellite. Clarke Steigerwald questioned what the mailing cost. John Schwandner said about \$250.00. Jim Dorr said he didn't think it would cost anything extra to put one sheet in with our mailing. Jim said he felt this was a good idea and if there's enough interest, then sit down with them to discuss rent and what they'll pay a month for putting this on our land. John said he didn't see how they could put this in the middle of a bean field. Bill said the area they're talking about is across from the burn pile but just east of the farm pond. Bill said the geese get everything in this area anyway every year, nothing to gain there. Steve Kolsto made a motion to allow them to add the flyer to our annual meeting mailing. Kate Steigerwald said she'd add to that motion only if they pay ½ the postage. Steve said by giving them the free mailing now we have the possibility to gain something later. Clarke Steigerwald said if they're not willing to pay something now why would they pay later. Steve said that's the chance we have to take. After additional discuss, John Schwandner said let's vote on the amendment that Royell pays ½ the postage. With a show of hands Kate Steigerwald was in agreement with Royell paying ½ the postage. With a show of hands the following Board members agreed to let Royell include their survey in the Association's packet without paying postage; Steve Kolsto, George Toepfer, Rick Whitehead, and Bob Sons. Ed Snell said he'd have Royell get a hold of Kyla. John Schwandner stated if the survey is not here by Friday the deal is off.

Bob Sons questioned if letters were sent to those members on the accounts receivable list along with a copy of their lease that stated if assessments weren't paid, the Association could cancel their lease. Kyla stated no because the only member that had that statement in their lease was Lot #26; John Schwandner said that member moved out and we can't find him. John said Wyatt's property has a buyer.

TRANSFERS: The following transfers were approved upon motion by Steve Kolsto and seconded by Kate Steigerwald.

#80 Walter Jacober to White Lightning Janitorial, Inc.
#136 Shelby McKinney to John & Lynn Rentel
#159 Ronald P. & Penny L. Richison to Ronald D. Bricker

The Board agreed unanimously.

ADJOURNMENT: The Board went into Executive Session at 7:30 p.m. Upon motion by Kate Steigerwald, seconded by George Toepfer, the Board agreed again by consensus to adjourn. The meeting adjourned at 7:55 p.m.

Executive Session

John Schwandner stated everyone should have a copy of the Proposed 2006 Budget. John said the Assessments would be \$285.00, going up \$15.00. Bob Sons said maybe we should go down line by line and discuss. John said yes, we'll start with Income and then go thru Expenses. John noted with Assessments going up \$15.00 that's an additional \$4,710.00, Interest we reduced because we will not meet the \$1,000 this year; this is down by \$250.00. John said we left transfer fees at \$6,600; Bob said this year we've had several transfers. John stated yes but we felt we better leave it alone because there are only so many homes that will sell in a year. John stated cable franchise fee is being reduced by \$200.00, earned by maintenance man reduced by \$200.00 and miscellaneous income reduced by \$500.00. Bill said he doesn't feel maintenance man needs to be reduced by \$200.00. Bob said it's just an estimate; John said if you go over it that's fine too. Bill said he still doesn't think it needs to go down; Bob said let's put an asterisk by that because one of his complaints is fish stocking went down. Bob said the last couple of year we final got this up to \$2,500 and now we're taking it back down to \$2,000. Bob stated we're not stocking fish this year but we need that reserve money in there so when we do. Bob stated his suggestion would be add \$200.00 to Earned by Maintenance Man and the Fish Stocking/Weed Control. John Schwandner asked Bill how much he thought he'd earn in the next few months. Bill said he's not sure it depends on how many jobs doing leaves he gets this year and he needs to stop doing free jobs. Bill said he would at least hit the \$1,200. John noted we'd leave Earned by Maintenance Man at \$1,200. John stated Office & Hall Expenses is reduced by \$500.00. Bob questioned if that was being reduced because we are not spending as much; John stated yes. John noted Fish Stocking is reduced by \$500.00 but we'll get back to that and Grounds we increased by \$100.00. Bob questioned what feel under Grounds. Bill stated trees, grass seed, flag and flagpole, etc. John noted Roads would stay the same; Gas & Oil we increased by \$1,000 and Utilities we increased by \$500.00. John stated Capital Improvement or Reserve Fund we increased by \$1,200. John noted Salaries reflect a 3% increase and employment taxes went up by \$140.00. Steve Kolsto questioned if there was enough money set-aside for Equipment Expenses, repairs on the equipment because they are getting older and things will start to go wrong. John said that's why we increased Capital Improvements in case something extra would come up. Bob noted on attorney's fee we should have extra there too if we had to move money around. Kate Steigerwald asked if the attorney needed to look at the report we received regarding the dam. Bob said we would not need the attorney to look at that, that's our decision. John asked if there were any questions regarding the budget; no one responded. John said let's take that \$200.00 Earned by Maintenance and add to fish stocking making it \$2,200.

John Schwandner stated we have 3 terms expiring; mine, Rick Whitehead and John Earley. John said he was running, Bob Gomora said he would run, Rick has indicated he is not running. Steve Kolsto said he would talk to Amy Walkenbach to see if she would be interested in running for the board. John said he'd like to present a slate of 3 so we don't have several nominated from the floor. John said unless you have someone semi-hostile you may not even get any nominations or we could wind up with a free-for-all.

John Schwandner said we would not discuss any personal business at the Annual meeting. John noted the only thing we will listen to is something that would be of general interest. John said if Ms. Goetges or White Lightning who's in dispute with Kimble over the foundation of that trailer, he'd tell them they could come to a regular meeting if they want to discuss that.

Kyla asked John about the 50/50 Drawing. John Schwandner said since we are not stocking the fish this year does anyone have any ideas. Steve Kolsto said he's heard a lot of complaints regarding the area down by the bridge where the work was done. Steve suggested doing a 50/50 for cypress trees, shrubs, plants, etc. Bill said there was a lot of controversy about the work done there and not sure if anyone will buy a ticket to help that cause. Bob Sons said hopefully they'd buy a ticket to win ½ the money. Bill said he liked Kyla's idea. Kyla said she thought maybe doing a 50/50 for fireworks but weren't sure if there would be any liability issues. Bob said he was going to go back down to the county to get a license for the fireworks. John said he didn't feel comfortable doing a 50/50 and then also passing a hat for fireworks. After much discussion, it was agreed to do 50/50 for fireworks.

John Schwandner stated we have a PA system this year. John said Vernon Broadway donated an amp and for \$20.00 he found a microphone to go with it. John stated Carol and Nancy Govert would be taking care of coffee and cookies. Bob Sons said Bill could use some help setting up chairs; Bill said yes on Thursday morning around 9:00. John said he'd be here and Bob said he'd also tell Sam Lamendola because he always wants to help.

SUNSET LAKE ASSOCIATION

Monthly Financial Report
September 30, 2005

Cash on Hand as of 8/31/05	\$ 10200
Checking Account Balance as of 8/31/05	\$ 40800
Money Market Account Balance as of 8/31/05	\$ 30,174.66
3-Month CD at 1.25% as of 8/31/05	\$ 2,553.02
6-Month CD at 1.25% as of 8/31/05	\$ 30,377.15
	<u>\$ 63,614.83</u>

Minus Bills Paid

Macoupin County (2nd Half of Property Taxes)	\$ 1,784.78
Konneker-Brown (Tractor Repairs)	1,055.51
Rural Electric	318.84
Verizon	38.32
Verizon Wireless	34.36
Power Net Global	9.01
Nilwood Water	10.22
Farm Plan (Truck Tire Repair)	15.00
Wernsing's Radio Shack Dealer (Micro-Phone)	21.24
Notaries Association	28.00
Secretary of State (Notary Bond)	10.00
Postmaster (Annual Mailing)	297.50
Petty Cash (Casters for Work Table & Paper Products)	21.10
Employers Tax & Withholding	933.88
Kyla Tanner - Net Salary	1,412.24
William Hohimer - Net Salary	<u>2,231.86</u>
Total Expenses	\$ 8,221.86

Plus Income

Transfer Fees	\$ 1,200.00
Assessments & Penalties	312.85
Building Permits	20.00
Earned by Maintenance Man	125.00
Hall Rental	25.00
Boat Stickers	12.50
All Others	195.20
Interest	32.19
	<u>\$ 1,922.74</u>
Total Income	\$ 1,922.74

Cash on Hand as of 9/30/05	\$ 10200
Checking Account Balance as of 9/30/05	\$ 40800
Money Market Account Balance as of 9/30/05	\$ 33,875.54
3-Month CD at 1.25% as of 9/30/05 (MATURITY DATE 11/14/05)	\$ 2,553.02
6-Month CD at 1.25% as of 9/30/05 (MATURITY DATE 3/4/06)	\$ 20,377.15
	<u>\$ 57,315.71</u>

SUNSET LAKE ASSOCIATION
Budget vs. Actual
 January through September 2005

	Jan - Sep '05	Budget	\$ Over Bud...	% of Budget
Income				
0301 Annual Assessment	84,601.00	84,780.00	-179.00	99.8%
0301.3 Special Assmt Shed	83.33			
0305 Boat Permits	3,758.83	3,600.00	158.83	104.4%
0311 Building Permits	605.00	800.00	-195.00	75.6%
0313 Fines & Penalties	377.38	500.00	-122.62	75.5%
0325 Farm Income	1,600.00	3,200.00	-1,600.00	50.0%
0335 Interest Income	635.29	1,000.00	-364.71	63.5%
0391 Transfer Fees	8,800.00	6,600.00	2,200.00	133.3%
0397 Cable Franchise Fee	1,008.11	1,200.00	-191.89	84.0%
0398 Earned by Maint. Man	902.50	1,200.00	-297.50	75.2%
0399 Miscellaneous Income				
Chlorine Tablets	590.00			
Copies	23.30			
Fax	20.00			
Hall Rental	175.00			
Sanitation Permit	80.00			
SLA Hats	295.00			
Sports/Chlorine Bottles	14.00			
0399 Miscellaneous Income - Other	651.50	3,000.00	-2,348.50	21.7%
Total 0399 Miscellaneous Income	1,848.80	3,000.00	-1,151.20	61.6%
Total Income	104,220.24	105,880.00	-1,659.76	98.4%
Expense				
0406 Professional Fees				
Accounting	665.00			
Legal Fees				
March, Jared	415.00			
McCaskey - Culvert	381.50			
Smith, Peggy & Michell	250.00			
Total Legal Fees	1,046.50			
0406 Professional Fees - Other	0.00	3,000.00	-3,000.00	0.0%
Total 0406 Professional Fees	1,711.50	3,000.00	-1,288.50	57.1%
0409 Office & Hall Supplies				
Copier Supplies	143.86			
Paper Supplies	180.87			
Postage	662.20			
Printing	332.15			
Service Contract -Copier	325.00			
0409 Office & Hall Supplies - Other	211.56	3,000.00	-2,788.44	7.1%
Total 0409 Office & Hall Supplies	1,855.64	3,000.00	-1,144.36	61.9%
0411 R & M- Lake	45.00	500.00	-455.00	9.0%
0411.1 Fish Stocking	0.00	2,500.00	-2,500.00	0.0%
0412 R & M -Grounds	754.34	500.00	254.34	150.9%
0414 R & M -Roads	12,657.61	10,000.00	2,657.61	126.8%
0415.5 Conservation & Watershed	2,779.00	3,000.00	-221.00	92.6%
0416 R & M Equipment	1,514.10	2,000.00	-485.90	75.7%
0418 Gas & Oil	1,815.20	2,500.00	-684.80	72.6%

SUNSET LAKE ASSOCIATION
Budget vs. Actual
January through September 2005

	<u>Jan - Sep '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
0430 Utilities				
Gas & Electric	3,697.10			
Telephone	730.46			
Water	87.49			
0430 Utilities - Other	0.00	6,300.00	-6,300.00	0.0%
Total 0430 Utilities	<u>4,515.05</u>	<u>6,300.00</u>	<u>-1,784.95</u>	<u>71.7%</u>
0434 Insurance				
Comm. Auto	1,030.00			
Comm. Property	3,484.00			
Comm. Umbrella Liability	775.00			
Notary Bond	13.00			
Workers Compensation	1,692.00			
0434 Insurance - Other	0.00	8,000.00	-8,000.00	0.0%
Total 0434 Insurance	<u>6,994.00</u>	<u>8,000.00</u>	<u>-1,006.00</u>	<u>87.4%</u>
0442 Property Tax	3,569.56	4,200.00	-630.44	85.0%
0498 Miscellaneous Expense	854.75	2,000.00	-1,145.25	42.7%
Capital Improvements	7,167.10			
Equipment Reserve	94.04	1,800.00	-1,705.96	5.2%
Payroll Expenses				
0402 Superintendant	25,110.00	33,480.00	-8,370.00	75.0%
0404 Secretary Salary	14,175.00	18,900.00	-4,725.00	75.0%
0440 Employment Tax Expense	3,392.40	4,200.00	-807.60	80.8%
Total Payroll Expenses	<u>42,677.40</u>	<u>56,580.00</u>	<u>-13,902.60</u>	<u>75.4%</u>
Total Expense	<u>89,004.29</u>	<u>105,880.00</u>	<u>-16,875.71</u>	<u>84.1%</u>
Net Income	<u>15,215.95</u>	<u>0.00</u>	<u>15,215.95</u>	<u>100.0%</u>

SUNSET LAKE ASSOCIATION
Accounts Receivable Balance

As of September 30, 2005

	<u>Sep 30, '05</u>
Brown, Neil M. & Julie - #239	28.17
Hipsher, Randy - #26	319.96
Robson, George R. & Patty - #154,A	800.00
Secrist, Sharon - #212	319.96
Shirvis, Daniel T. & Claudia M.- #110	28.17
Trapp, Robert G. - #97	215.41
Williams, Jr., James W. - #95	54.62
Wyatt, James - #1	436.06
TOTAL	<u><u>2,202.35</u></u>

SEPTEMBER MONTHLY SALES

Assessments		\$312.85
Boat Permits		\$12.50
Tavernor - #37	Hats	\$20.00
Blenck - #121	Hats	\$30.00
Kinsel - #245	Hat	\$5.00
Clevenger - #267	Hat	\$5.00
Wyatt- #1	Hat	\$5.00
Chosich - #191	Hat	\$5.00
Sandidge - #147	Earned by Maintenance Man	\$75.00
#27	Earned by Maintenance Man	\$50.00
Richey - #30	RipRap	\$10.00
Adamski - #247	Copies	\$1.20
Galvan - #122	Chlorine Tablets	\$10.00
Seggelke - #9B	Chlorine Tablets	\$10.00
Lomelino - #197	Chlorine Tablets	\$20.00
Larson - #183	Chlorine Tablets	\$10.00
Blenck - #121	Chlorine Tablets	\$10.00
#27	Chlorine Tablets	\$10.00
#27	Chlorine Bottles	\$4.00
Herrin - #127	Chlorine Tablets	\$10.00
Ragan - #196	Chlorine Tablets	\$20.00
Scott - #112A	Sanitation Permit	\$10.00
Chosich - #191	Building Permit	\$20.00
Scott - #112A	Transfer Fee	\$200.00
Busby - #112A	Transfer Fee	\$200.00
VanDyke - #191	Transfer Fee	\$200.00
Chosich - #191	Transfer Fee	\$200.00
Gibbel - #274	Transfer Fee	\$200.00
Newell - #274	Transfer Fee	\$200.00
Smith - #160	Transfer Fee	\$200.00
Interest	Hall Rental	\$25.00
		\$32.19
	TOTAL	\$1,922.74

SUNSET LAKE ASSOCIATION

AGENDA

November 1, 2005 7:00PM

CALL TO ORDER

ROLL CALL

VISITORS

SUPERINTENDANT'S REPORT

OFFICE MANAGER'S REPORT

APPROVAL OF THE MINUTES OF OCTOBER 4, 2005

APPROVAL OF BILLS PAID FOR OCTOBER 2005

COMMITTEE REPORTS:

AQUATIC CONTROL & WATER SAFETY - JOHN MUNCHALFEN

BUILDING & CONSTRUCTION COMMITTEE - GEORGE TOEPFER

DAM & GROUNDS COMMITTEE - OPEN

FINANCE COMMITTEE - CHERYL STINE

LEGAL & INSURANCE COMMITTEE - KATE STEIGERWALD

ROADS COMMITTEE - OPEN

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE - OPEN

WATER QUALITY & CONSERVATION - STEVE KOLSTO

OLD BUSINESS - Island - Hold Harmless Form
Royell Communications' Survey

NEW BUSINESS -

TRANSFERS - #155A Bill and Maxine Hohimer to White Lightning Janitorial, Inc. *
#140 George and Marie Strutz to Marie E. Strutz Revocable Living Trust (Name Change Only) *

ADJOURNMENT -

*Upcoming Transfer

**SUNSET LAKE ASSOCIATION
MINUTES OF THE SPECIAL MEETING
NOVEMBER 15, 2005**

CALL TO ORDER: President Bob Sons called the meeting to order at 6:10 p.m. Also present for the meeting were Norman Brand, John Munchalfen, Cheryl Stine, Steve Kolsto, George Toepfer, Bob Gomora, and Tony Paquette, Bill Hohimer and Kyla Tanner. Kate Steigerwald was absent.

Bob Sons stated he called the meeting because Bob Gomora, Tony and himself met with Joe Royer from Royell regarding the tower on Sunset Lake property. Bob said they've tested all around the lake and the best spot for the tower is the corner of North Lake and Circle Drive. Bob said it's basically the center of the lake and they'd be able to pick up everyone. Bob stated this is an ideal spot but he does have another place they could put the tower but it's off Sunset Lake; it's on Ed Snell's property. Bob said they can put this on Snell's property and we get absolutely nothing. Bob stated he thought Joe said they have 11 towers and usually how they do this is Royell puts the tower up and gives 2 free connections. Bob said this is a \$600.00 savings a year. Bob stated Joe knew we were looking for some money on this and he was real hesitant. Bob said he kept bringing up ideas to Joe about a surcharge on everyone using the tower, a percentage or monthly rental. Bob stated Joe was bringing up things like how much the equipment cost to even get this started and fees for the airways. Bob stated after bringing up money and hashing that for a while, Joe's suggestion was at the beginning of the 2nd year SLA would receive \$100.00 per month plus free service for the office both years; this would be about \$1,800.00. Bob said Joe's thoughts were as they get more people, he could lower the rates but he's never heard of anyone lowering rates. Bob stated something he wants to stress is that it would be extremely simple for them to take it up to Snell's property; it's not a big amount but \$1,800.00 a year could almost pay for fish stocking. Cheryl Stine stated she thinks we're all pretty satisfied with that. Bob said if there is something in the agreement that needs to be added we can change it now. Bob stated his thinking is once we have the tower on our property it would be a lot for them to take the tower down and move it somewhere else. Cheryl stated the only problem she sees is that this is an open-ended agreement. Bob said we don't want to add too much to the agreement that it makes them get nervous. Bob Gomora stated we could put a #5 to re-evaluate this contract after the 2nd year. Norman Brand said a verbal agreement would work fine because you'd have the tower on our property; you can get the agreement where it's too legal and has too many specifics. Bob Gomora stated we have 2 important things on there, they will hold us harmless for any accidents or damage occurring on the rental property. Norman said they still need to supply us with a liability policy. Bob said they could still include use in a lawsuit so that doesn't hurt to have that on it; we should probably have a specific term on the contract. Norman stated he doesn't think the liability with the tower is an issue at all. Bob said they're going to put things on the tower so kids can't climb up it. Norman stated the contract is fine, you have the wording saying free installation and service the 1st year and starting the 2nd year \$100.00 a month plus free service for the office. Bob said it's not like we are dealing with a large company like Verizon, it's a local guy with 11 towers. Bob Sons said he tried to push the percentage; we would just need to check how many people are using the tower to figure that. Cheryl stated you could put all kinds of things in that contract such as the tower will be taken down by the leasee if the contract is breached but worse comes to worse and they are no longer there we'd just get a contractor to take it down or rent the tower to someone else.

John Munchalfen questioned if we should write in the contract that it's not valid unless it's Royell; so he can't rent this to someone else. Norman stated you start tying them down to dates or specifics it also ties us down to them. Bob Gomora said lets say Royell goes out of business but sells to Verizon, they don't have an agreement with us. Norman said it's on our property; they're not going to buy a tower on a piece of property that Royell does not own. Bob Sons questioned if we should add item #5 stating this contract is between SLA and Royell only. Norman said that's not a bad idea. Cheryl said she's worried about what happens after the 2nd year, should we change it to say Royell will pay SLA \$100.00 per month in perpetuity or until this lease is no longer valid. Norman said until we renegotiate it; we may get in a situation where we get more money. Bob Sons said Joe was saying in the next 5 years he was hoping to get 200 customers; it can go up to 600 but in reality he's figuring 200 customers. Bob said as technology grows so does equipment so he'll be upgrading constantly. Cheryl said that's another issue, Sprint and the cellular phone companies can't get here very easily, Verizon verily. Cheryl said what if one of these phone companies pay Royell \$7,000 a year and we're not getting anything. Bob Sons said he doesn't think the tower is tall enough to bring anything for the phones but Joe did mention as technology changes you'd be able to use the telephone thru the computer and get rid of your lan line. Bob said he thought this was no extract charge. Bob Gomora said yes, he thought that would be part of the service. Norman said the tower is not going to be able to carry anything. Bob Sons noted the tower is only 96 feet tall. Cheryl said you can put repeaters on towers 96' tall; it's just a repeater it doesn't transfer anything. Bob said he doesn't have a problem putting something in the agreement stating the tower is only for Royell. Cheryl said something that says if they want to lease part of the tower to someone else, SLA will get a percentage. Bob Gomora said it could state the tower is for use by Royell Communications and any other use of that tower must be approved by they SLA board. Cheryl stated we don't care if they sub-lease; we'd just want more money. Bob Gomora said we could get a percentage of their revenues. Cheryl said she had experience with this before, Sprint rented our tower and they paid \$7,000 a year for the repeater on that tower. Cheryl said it should state it's exclusive to Royell and if they should rent the tower to any other vendor then SLA should receive a portion. Bob Sons stated we could put in there that if Royell is to sub-lease the tower this contract needs to be renegotiated. Bob Gomora said it should state it's exclusive to Royell and if they decide to sub-lease to another vendor it puts this contract subject to renegotiation. Bob Sons asked if there was anyone that does not want the tower here. John Munchalfen stated he thought the tower would be beneficial as long as it's handled correctly; doesn't really trust this. Bob Gomora asked if he knew them or had some knowledge about them that we don't. John stated no. Bob Sons said he knows a guy in Joliet that runs towers, he gives these farmers \$100.00 a month for a 20x20 area on their land, they have no idea what's on their property. Cheryl said that's where the repeater comes in with vendors. Bob said this same guy has other towers where he's making thousands but these are 300 to 400 foot towers. Norman said yes and those are heavily populated areas also. Bob said we don't have that luxury; we have about 290 homes here and only about 1/2 of the members live here fulltime so we're looking at about 150 people. Cheryl said she thinks we all agree on the dollar amount. Bob said that's what he wants to know if everyone is in agreement. Tony Paquette said we should place in the contract this is for 2-year period of time; after that we will have a better idea how many are signed up and see if this is being profitable for them. Tony stated it's supposed to be a 15-month pay off and that's pretty good in any business so we'd have a better feel after the 2nd year. Bob Sons said what he's trying to do is get the tower here and once it's here we can change things. Bob said we have the ideal spot but if we get too greedy or messy with verbiage, they can go up the road to Snell's property. Bob stated he'd like to get more than the \$1,200 but he also doesn't want to scare them away. Tony stated he also agreed.

Bob Gomora said they might think we have too much "lawyer" in this contract already; Joe may think we're pressing him now. John questioned if we were asking Royell to come here or are they asking us for a sight. Cheryl said they're asking us. John said he wants our ground and we need to cover ourselves. Norman said he approached Royell about a year ago because he does a lot of work at home. Bob said the reason they're approaching us is because we've had several members call them wanting high-speed internet. Bob stated there's enough out here, they're interested because we're interested. Norman stated there are enough people here that it will pay for the tower. Cheryl said are we in any type of agreement, do we want something in the contract about subletting the tower and/or the term of the contract. Bob said he had no problem with adding the part about subletting the tower. Bob said the term is open, it says 1st year then 2nd year; if we can come up with the right wording but he doesn't want to scare him. Steve Kolsto said if he's gone thru the expense of putting the tower up and at the beginning of the 3rd year he's got the option to take the tower down or talk to us, he'll talk to us. Norman said he agrees with Bob if we push him, he may leave. Bob Sons said once it's here he's not going to want to go thru the expense of taking it down. John said what if he says this site isn't useful to them anymore and he wants out of it because of newer technology. Bob said that's okay we'll make some money before that happens. John said with Royell's service everything has limit, if you get off early there's a penalty, you have to sign up for 1,2, or 3 years. John questioned why we couldn't do this with our contract. Norman asked if he mentioned that he had a standard contract when he sets up a tower. Kyla said she spoke to Joe today and this was the first time he's ever had a contract. Kyla noted she called him to see if he could give her an idea how to set up this contract and he's always just done this verbally. Tony said when we met with him he did say the best contract he's had was a handshake. Bob said this is hometown people it's not Verizon or Sprint. Bill said he's known the Royer family, they're tight with the dollar but there's not one of them that's not honest. Bob Sons said we need to put something in there that this contract will be ongoing until both parties agree to renegotiate. Cheryl said if we add "As of the onset of the second year, Royell will pay SLA \$100.00 per month for the rented ground where the tower is located." should we also put in there for 12 months, forever or in perpetuity. Bob said we don't want to put too much in this. Tony said if he's doing well after the second year and we ask for a modest increase, another \$50.00 or \$100.00 a month this should not be a problem, this gentleman wants this tower. Bob said he did tell Joe if everyone agrees with this and it works out, Bill would have the final stamp on where it should go. Bob said since Bill does all the cutting of grass over there, he'd know if they were getting too far into the farm area. John said there is a lateral rule how close they can get to the power lines. Bob said REA told them they would put a meter on a pole if there was one close enough. Bob said he was sure there was some kind of rule and Joe was going today to see how far that would be. Bob Gomora said we just don't want to push him away. Cheryl said there's no term on there so we'll collect \$100.00 for as long as the tower is there. Bob said after the 2nd year we could send him a 90-notice saying we'd like to renegotiate it. Bob said in the rules, Section 28 it states, "Unless authorized by the Board, no member shall maintain or operate any business enterprise on SLA property." Bob said this is not a member but believes the board must approve this. After additional discussion, George Toepfer made a motion to approve the tower on SLA property and the written agreement; Bob Gomora seconded the motion. Bob asked if there was any additional discuss John questioned if we were all signing it was there a place for them to sign. Bob stated yes, it would be two of them signing it. John said he didn't understand why everyone needed to individually sign this and why we couldn't put on there Sunset Lake Board of Directors approved. Bob said if anyone would question what we did, it would show the whole board agreed on it. John said he's fine with the contract but he's never signed anything since he's been on the board. Bob said he understands what John is saying and maybe the only person that needs to sign this is the President once the whole board has approves it.

Bob stated he didn't want someone saying that an individual pushed this thru and nobody else knew about it; he wanted to make sure all the board members were in agreement with it. Cheryl questioned if there was a problem with everyone signing this contract. Bob said there's not a problem but John questioned if it was really necessary. Cheryl said it was necessary for record keeping; it doesn't hurt anything. Bob Gomora said he thought everyone should sign; it's a board agreement. John said as far as location of the tower, he thought there needs to be a clearance from power lines so if the tower would fall; but that's REA decision. Bob said why he wants Bill involved with deciding where to put it was because he knows about the farmland. Bob noted if we have to put this in the farm we will but he'd like it to be on the grass area, no since losing money from the farm. Bob said we had a motion and a second, let's vote on this if the discussion is over. The Board voted unanimously. Bob said everyone needs to sign this but the only one not here is Kate so we'd need her to sign this. Cheryl said we have a quorum so she didn't think Kate needed to sign this but we could note she was absent.

Bob asked if there was anything else that needed to be discussed. George Toepfer said he heard someone tried to steal a 50hp motor at Lot #121. Bob said yes, he received a call about it. Bob Gomora stated if there was a neighborhood watch program here. Bob stated he'd like to put out a notice to bring some members in for a meeting and explain things they should be watching for such as license #, make & model of vehicle. Bob said he'd rather have 10 calls than one missing 50hp motor. Cheryl questioned who they would call the police, sheriff or who. Bob said no they don't service out here. Bob noted they wouldn't be able to call 24/7 but if someone gets a license # of a vehicle at someone's house when they're not home, they could call it in to the office. Bob said once we have a license # or some information he could do some checking. Bob Sons questioned if this was something we want to do, a neighborhood watch and do signs detour criminals. Bob Gomora said not only does it detour but also inspires people to remember what to do when they see the signs. Cheryl asked Bob if he wanted to write something up for Kyla to put in a memo as far as who to call, what to look for. Bob Sons asked if there was a mailing coming up. Kyla stated yes, January. Bob said if we could get something out to everyone and have a special meeting on neighborhood watch. Cheryl said 1/2 the people are in Florida. Bob said the ones out here now are the ones we want since they're here all year. Bob Gomora said we could do another in the summer when the members are back. Bob Sons asked Bob to spear head this and see if we can get something together. After much discussion, Bob asked him to get some things together, write something up and get a date that's convenient for you.

ADJOURNMENT: Upon motion by Steve Kolsto, seconded by Bob Gomora, the Board agreed again by consensus to adjourn. The meeting adjourned at 7:16 p.m.

SUNSET LAKE ASSOCIATION

Monthly Financial Report

October 31, 2005

Cash on Hand as of 9/30/05	\$	10200
Checking Account Balance as of 9/30/05	\$	40800
Money Market Account Balance as of 9/30/05	\$	33,875.54
3-Month CD at 1.25% as of 9/30/05	\$	2,553.02
6-Month CD at 1.25% as of 9/30/05	\$	<u>20,377.15</u>
	\$	57,315.71

Minus Bills Paid

M&M Services (Fuel)	\$	687.20
Rural Electric		331.71
In the Swim (Chlorine)		432.07
New England Business (Reordering Checks)		122.72
Verizon		39.97
Verizon Wireless		34.35
Power Net Global		9.80
Nilwood Water		9.15
Andrew Hohimer (Mowing)		28.00
Peachtree Business (Flag)		46.00
Tom Day Business (Toner for Copies)		90.04
CNH Capital (Mulching Blades & Filter)		58.82
Quill Corporation (Trash Bags and Fax Ribbon)		49.85
Champion America (Reflective Tape for Buoy)		19.50
Cubby Hole (Plaques)		27.62
Petty Cash (Rope, Grommets, Cookies for Annual Meeting)		58.84
IL Dept. of Revenue		362.88
Employers Tax & Withholding		933.88
Kyla Tanner - Net Salary		1,412.24
William Hohimer - Net Salary		<u>2,231.86</u>
Total Expenses	\$	6,986.50

Plus Income

Transfer Fees	\$	1,200.00
Secrist - Lot #212 (AR)		320.46
Shirvis - Lot #110 (AR)		28.17
Earned by Maintenance Man		40.00
All Others		78.20
Interest		35.30
		<hr/>
Total Income	\$	1,702.13

Cash on Hand as of 10/31/05	\$	10200
Checking Account Balance as of 10/31/05	\$	40800
Money Market Account Balance as of 10/31/05	\$	28,591.17
3-Month CD at 1.25% as of 10/31/05 (Maturity Date 11/14/05)	\$	2,553.02
6-Month CD at 1.25% as of 10/31/05 (Maturity Date 3/4/06)	\$	<u>20,377.15</u>
	\$	52,031.34

SUNSET LAKE ASSOCIATION
Budget vs. Actual
 January through October 2005

	<u>Jan - Oct '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
Income				
0301 Annual Assessment	84,871.00	84,780.00	91.00	100.1%
0301.3 Special Assmt Shed	83.33			
0305 Boat Permits	3,758.83	3,600.00	158.83	104.4%
0311 Building Permits	605.00	800.00	-195.00	75.6%
0313 Fines & Penalties	433.88	500.00	-66.12	86.8%
0325 Farm Income	1,600.00	3,200.00	-1,600.00	50.0%
0335 Interest Income	692.72	1,000.00	-307.28	69.3%
0391 Transfer Fees	10,000.00	6,600.00	3,400.00	151.5%
0397 Cable Franchise Fee	1,008.11	1,200.00	-191.89	84.0%
0398 Earned by Maint. Man	942.50	1,200.00	-257.50	78.5%
0399 Miscellaneous Income				
Chlorine Tablets	660.00			
Copies	24.50			
Fax	20.00			
Hall Rental	175.00			
Sanitation Permit	80.00			
SLA Hats	300.00			
Sports/Chlorine Bottles	16.00			
0399 Miscellaneous Income - Other	651.50	3,000.00	-2,348.50	21.7%
Total 0399 Miscellaneous Income	<u>1,927.00</u>	<u>3,000.00</u>	<u>-1,073.00</u>	<u>64.2%</u>
Total Income	105,922.37	105,880.00	42.37	100.0%
Expense				
0406 Professional Fees				
Accounting	665.00			
Legal Fees				
March, Jared	415.00			
McCaskey - Culvert	381.50			
Smith, Peggy & Michell	250.00			
Total Legal Fees	<u>1,046.50</u>			
0406 Professional Fees - Other	0.00	3,000.00	-3,000.00	0.0%
Total 0406 Professional Fees	<u>1,711.50</u>	<u>3,000.00</u>	<u>-1,288.50</u>	<u>57.1%</u>
0409 Office & Hall Supplies				
Copier Supplies	233.90			
Paper Supplies	180.87			
Postage	662.20			
Printing	454.87			
Service Contract -Copier	325.00			
0409 Office & Hall Supplies - Other	333.90	3,000.00	-2,666.10	11.1%
Total 0409 Office & Hall Supplies	<u>2,190.74</u>	<u>3,000.00</u>	<u>-809.26</u>	<u>73.0%</u>
0411 R & M- Lake	64.50	500.00	-435.50	12.9%
0411.1 Fish Stocking	0.00	2,500.00	-2,500.00	0.0%
0412 R & M -Grounds	806.17	500.00	306.17	161.2%
0414 R & M -Roads	12,657.61	10,000.00	2,657.61	126.6%
0415.5 Conservation & Watershed	2,779.00	3,000.00	-221.00	92.6%
0416 R & M Equipment	1,576.56	2,000.00	-423.44	78.8%
0418 Gas & Oil	2,502.40	2,500.00	2.40	100.1%

SUNSET LAKE ASSOCIATION

Budget vs. Actual

January through October 2005

	<u>Jan - Oct '05</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
0430 Utilities				
Gas & Electric	4,028.81			
Telephone	814.58			
Water	96.64			
0430 Utilities - Other	0.00	6,300.00	-6,300.00	0.0%
Total 0430 Utilities	4,940.03	6,300.00	-1,359.97	78.4%
0434 Insurance				
Comm. Auto	1,030.00			
Comm. Property	3,484.00			
Comm. Umbrella Liability	775.00			
Notary Bond	13.00			
Workers Compensation	1,692.00			
0434 Insurance - Other	0.00	8,000.00	-8,000.00	0.0%
Total 0434 Insurance	6,994.00	8,000.00	-1,006.00	87.4%
0442 Property Tax	3,569.56	4,200.00	-630.44	85.0%
0498 Miscellaneous Expense	1,319.32	2,000.00	-680.68	66.0%
Capital Improvements	7,167.10			
Equipment Reserve	94.04	1,800.00	-1,705.96	5.2%
Payroll Expenses				
0402 Superintendent	27,900.00	33,480.00	-5,580.00	83.3%
0404 Secretary Salary	15,750.00	18,900.00	-3,150.00	83.3%
0440 Employment Tax Expense	3,968.26	4,200.00	-231.74	94.5%
Total Payroll Expenses	47,618.26	56,580.00	-8,961.74	84.2%
Total Expense	95,990.79	105,880.00	-9,889.21	90.7%
Net Income	<u>9,931.58</u>	<u>0.00</u>	<u>9,931.58</u>	<u>100.0%</u>

SUNSET LAKE ASSOCIATION

Balance Sheet

As of October 31, 2005

	<u>Oct 31, '05</u>
ASSETS	
Current Assets	
Checking/Savings	
0100 Cash on Hand	102.00
0120 Checking Acct.	54,274.62 *
0125 First National Bank- ...	28,591.17
0131 FNB-CD (3-Month CD)	2,553.02
0135 FNB-CD (6-Month CD)	20,377.15
Total Checking/Savings	<u>105,897.96</u>
Total Current Assets	<u>105,897.96</u>
TOTAL ASSETS	<u>105,897.96</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
0200 Escrow	53,866.62
Total Other Current Liabilit...	<u>53,866.62</u>
Total Current Liabilities	<u>53,866.62</u>
Total Liabilities	<u>53,866.62</u>
TOTAL LIABILITIES & EQUITY	<u>53,866.62</u>

* INCLUDES \$53,866.62 IN ESCROW FUNDS.

SUNSET LAKE ASSOCIATION
Accounts Receivable Balance
As of October 31, 2005

	<u>Oct 31, '05</u>
Brown, Neil M. & Julie - #239	28.17
Giacomini, Brian & Tricia - #107	100.00
Hipsher, Randy - #26	324.76
Robson, George R. & Patty - #154,A	800.00
Trapp, Robert G. - #97	218.64
Williams, Jr., James W. - #95	55.44
Wyatt, James - #1	442.60
TOTAL	<u><u>1,969.61</u></u>

SUNSET LAKE ASSOCIATION

AGENDA

December 6, 2005 7:00PM

CALL TO ORDER

ROLL CALL

VISITORS

SUPERINTENDANT'S REPORT

OFFICE MANAGER'S REPORT

APPROVAL OF THE MINUTES OF NOVEMBER 1, 2005

APPROVAL OF THE SPECIAL MEETING MINUTES OF NOVEMBER 15, 2005

APPROVAL OF BILLS PAID FOR NOVEMBER 2005

COMMITTEE REPORTS:

AQUATIC CONTROL & WATER SAFETY	- JOHN MUNCHALFEN
BUILDING & CONSTRUCTION COMMITTEE	- GEORGE TOEPFER
DAM & GROUNDS COMMITTEE	- NORMAN BRAND
FINANCE COMMITTEE	- CHERYL STINE
LEGAL & INSURANCE COMMITTEE	- KATE STEIGERWALD
ROADS COMMITTEE	- ROBERT GOMORA
SANITATION, SHORELINE & BOAT DOCKS COMMITTEE	- TONY PAQUETTE
WATER QUALITY & CONSERVATION	- STEVE KOLSTO

OLD BUSINESS - Island - Hold Harmless Form
Royell Communications

NEW BUSINESS - Section 6. Boat Speed Regulations, Item A. - Fast Time Change
Christmas Party (December 16th or 17th)

TRANSFERS - #27 Veteran's Affairs to James P. & Kelly R. Marsaglia
#79 Walter Jacober to John M. & Toni G. Musgrove
#137 Richard & Betty Maquire to Keven F. Tait and Erin E. Hejmej
#238 Jerry & Dee Divjak to Janet Hammond *

ADJOURNMENT -

*Upcoming Transfer

**SUNSET LAKE ASSOCIATION
MINUTES OF THE MONTHLY MEETING
DECEMBER 6, 2005**

CALL TO ORDER: President Bob Sons called the meeting to order at 7:00 p.m. Also present for the meeting were Cheryl Stine, Steve Kolsto, George Toepfer, John Munchalfen, Norman Brand, Bob Gomora and Tony Paquette. Kate Steigerwald was absent.

VISITORS: Jim Seggelke #9, Ed Burg #98, Ed Snell #286

SUPERINTENDENT'S REPORT: Bill Hohimer stated he worked on leaves and also did inspections for leaf letters. Bill said we had 2 different sets of letters. Bill stated since the letters went out the members have been doing their leaves because he's getting huge amounts at the burn piles. Bill said he's getting things ready in case it snows. Bill stated he also went with Tony to look at the riprap and septic at Lot #212. Bill stated this morning he found a deer that had been hit on North Lake Road; he made a few phone calls and finally the Township picked it up. Cheryl Stine stated Lot #37 had just built a new boat dock and piled a bunch of dirt up; she questioned if they should have silt fence up. Bob Sons asked George Toepfer to look into this.

OFFICE MANAGER'S REPORT: Kyla Tanner stated she had paperwork on 2 transfer and 2 orientations. Kyla said she sent out 50 leaf letters and that's more than usual. Kyla stated she sent a cleanup letter to Lot #129. Bob Sons asked about the riprap at Lot #107. Kyla said as far as she knew the riprap had not been done. Kyla stated the board approved them using brick from an old house that was torn down; she's been told they do have a pile of brick over. Kyla said John Schwandner instructed her to send a \$100.00 fine to the member for not having this done. Bill said they only have a small pile of rock over there. Bob Sons said they've received 3 letters and a fine and asked Tony to check on this; maybe give them a call or another letter should go out.

APPROVAL OF MINUTES: A motion to approve the minutes of the November 1, 2005 meeting and the Special Meeting of November 15, 2005 was made by Cheryl Stine and seconded by Bob Gomora. Motion passed unanimously.

APPROVAL OF BILLS PAID FOR NOVEMBER 2005: Cheryl Stine stated bills for the month totaled \$5,939.29. Cheryl said they were the normal bills other than grass seed and the yearly internet fee. Kyla stated she had to send the internet fee to Royell by the 10th which was before all this was decided on with the tower; she's talked to Joe and we do get this back.

Upon a motion by Steve Kolsto and seconded by George Toepfer, the Board voted unanimously to approve the bills paid for November.

COMMITTEE REPORTS:

AQUATIC CONTROL AND WATER SAFETY: John Munchalfen stated there was nothing to report.

BUILDING AND CONTRUCTION COMMITTEE: George Toepfer stated he had a building permit from Zoller #204 to add 2 decks and enlarge a living room. Bob Sons asked if Vern Broadway left a drawing or some pictures of what he wanted to do with that extension. Tony Paquette said he had talked to Vern and he was suppose to have this to Kyla before he left but didn't. Tony stated he knew what Vern wanted to do and there's room there but was surprised he didn't turn the paperwork in. Cheryl Stine said a lot of people have room for an extension but we don't let them. George said he's not extending his dock; he has a shoulder station that he wants to move to the end. Bob said we'd wait until we have his paperwork.

DAM & GROUNDS COMMITTEE: Norman Brand stated he has a tree removal permit for Jeremy Walk but hasn't had a chance to look at the trees. Norm said he drove by but not sure what his reason was other than the trees damaging his vehicles. Norm asked if he was supposed to meet with Jeremy; Bill said that's what he was wanting. Bill said Jeremy has marked the trees with black X's that he wants down but they're very much alive. Bill said he does have a dead tree at the corner of Vine and North Lake. Norm said the other thing was the leaf letters went out and questioned if they were accomplishing what we're asking of them. Bill said most everyone looks good with the exception of Oak Lane and we have received calls saying they'll get it done.

FINANCE COMMITTEE: Cheryl Stine stated we're at 102.6% of Income and 96.3% of Expenses putting us in line for year-end.

LEGAL & INSURANCE COMMITTEE: Kate Steigerwald was absent. Bob Gomora said in regards to the permit for camping on the island, everything is already covered under the Rules and Regulations of Sunset Lake. Bob said the other thing is the island is a goose refuge; geese lay their eggs over. Bob stated a permit is not beneficial. Bob Sons questioned Bob if what he was saying was no permit is needed and we will not harass kids if they're on the island camping. Bob Gomora said that's right if the parents are okay with it and they want to camp with the snakes and poison ivy let them. Bob Sons asked if everyone was in agreement with that; everyone agreed.

ROADS COMMITTEE: Bob Gomora stated he's been working on a neighborhood watch program and would like to get some watch signs. Bob said if there's a member gone and someone has pulled into the driveway, we want the neighbor to write down the license number, make and model. Bob said if a member were going away for the winter he'd be happy to check their house and make sure they have everything buttoned up so things would be there when they get back. Bob said someone questioned if our neighborhood was getting bad, he said no but we don't want it to get bad. Bob stated we've had a little vandalism and thievery so if we approach this in an aggressive mode we'll be able to stop it before it gets started. Bob Sons questioned if this was something the board wanted, everyone agreed.

Bob Gomora stated January 12th at 7:00 p.m. he wants to have something here at the hall to go over the neighborhood watch program and was going to try to get the Sheriff here for this meeting. Bob said each sign is \$25.00. Bob Sons said he'd get a price on signs from Tom Reznicek in town. John Munchalfen asked how many signs would we want; Bob said a sign for every entrance from the outside world. Cheryl Stine stated we would need 12 signed. Bob Gomora said signs are a deterrent. Bob said he doesn't want any of the members approaching someone that looks suspicious we only want them to get us the information. Bob said that's the reason we want to have this meeting. Bob Sons said this would be in the newsletter that goes out in January.

Bob Gomora questioned if we have cinders in case it snows; Bill said we have about a pickup load. Bob Sons asked if we need to get more. Bill said he's not sure where to get a small load like he needs. Bill stated last year we discussed a salt spreader. Cheryl said what about a used one. Bob Sons said you don't want to buy a used one, they're usually no good by the time they get rid of them. Bob Gomora said they also have the liquid salt with a sprayer; he likes those because the liquid starts melting instantly and they have less moving parts. Bob Sons asked Bill if he'd get some prices on this. Bob Gomora said he could get a book from the municipal. Bob Sons said we don't have a meeting until February now so if he finds something we may need to make a phone call decision. Bill said last year when he checked on the spreader it was roughly \$1,300.00. Cheryl said the liquid might be cheaper. Steve Kolsto said when you're checking on this see which one is more environmental friendly. Bob Sons said Bill could use this on the curves where it gets bad. Bob asked Bill to check on this and let us know.

SANITATION, SHORELINE & BOAT DOCKS COMMITTEE: Tony Paquette stated there are a couple properties changing hands and Kyla had asked me to look at the riprap. Tony said he looked at Lot #238 and the riprap and boat dock looks good. Tony stated he also looked at Lot #212, which was the old beach house but it needs about 200-225' of riprap or sand. Tony stated the boat dock appeared to be fine, sturdy enough. Tony said he and Bill had some difficulty finding the chlorine tank and chlorine bottle; finally he asked for Rick Whitehead's help. Tony said he finally found it and looked like there was a cap on it that belonged to a vent but found no bottle or no string in this tube. Tony said he wondered if it's not a vent because there's no bottle with chlorine. Tony stated Rick sent a letter in 2002 advising them a bottle and chlorine was needed; what's happened in the meantime wasn't sure. Bob Sons said this is a good time to have the system updated because before they can sell the property it needs to be corrected and also the riprap will need to be taken care of. Bob instructed Kyla to send a letter stating it needs riprap; Tony said we also need to mention the septic needs a vent and proper cover. Tony noted he's new at this but it looks to him it needs a vent, proper cover and bottle of chlorine. Bill stated all he could see was a "T" at the sand filter bed; he tried to find the discharge hole but couldn't find that either. Bob Sons said we just need to send them a letter stating money will need to be placed in escrow and they need to have this brought up to date, must be repaired before it's sold or it will come out of the escrow funds. Bob Gomora questioned with that system sitting this way is it leaking into the lake. Bob Sons said it discharges directly into the lake without chlorine. Bob Gomora said he's had complaints that members have seen raw sewage. Bob Sons said it would be very difficult for raw sewage to come out of a sand filter. Bob Gomora questioned who is taking the water samples. Bob Sons said he and Bill took the water samples this year after the scare at Otter Lake. Bob said like always we took 12 samples at different areas on the lake; the same spot every year and then one we can take at random. Bob Gomora said we might need to have test taken in some of these coves; he's noticed in a year's time the water quality has gone down. Cheryl Stine said the water quality is better than ever. Bob Sons said it's only because the lake water is down, all the lakes are like this right now. Steve Kolsto stated that's only an algae; actually our lake is as good as or in better shape than the year before. Bob Sons said we'll send Secrist a letter stating when escrow money is collected the septic will need to be taken care of before this property can transfer and the same with the riprap. John Munchalfen stated he has a vent and a separate tube for the chlorine. Bob said yes, they don't have the tube for the chlorine and it will need to be corrected. Tony said Steve Kolsto and Jim Seggelke have volunteered to help check the chlorine and feels it will be well covered this year. Bill asked if something should be noted about the cistern at Secrist's; Bob Sons said yes, when that letter goes out something should be said about the cistern.

Tony asked Kyla about the letter that went out on Lot #130. Kyla stated there was a contact number on the door that Tony got for her. Kyla said she called Fast Securing, Inc. and talked to Rose regarding this property. Kyla noted the bank bought the house at auction down at the County building; the bank will turn around and sale it but not sure when. Kyla said she told Rose it needed to be cleaned up; Rose said she'd get a hold of the bank and have someone do that. Kyla stated she received a call yesterday from Jim Griffin telling me he'd be listing the property soon. Kyla said she explained to him how it needed to be cleaned up and he said we'd have to wait until the bank got everything together on this. Bob Sons said we need to find out which bank has this property and let them know it needs to be cleaned up. Kyla said she'd call the county for this information. John Munchalfen stated his understanding was if they'd been notified and it hasn't been cleaned up, we'd clean it up and they'd have an existing tab. Bob said yes, but we need to send a letter saying this is what we are going to do if it's not cleaned up in 10 days. Kyla stated she explained to Rose that she'd have to send a formal letter so she did send the standard leaf letter to Fast Securing but that's not the bank. Bob Sons said let's follow up with a phone call and if we need to, we'll send Bill over to clean up.

WATER QUALITY & CONSERVATION: Steve Kolsto stated he met with Megan, who's ahead of labs at Cochran & Wilken. Steve said she's putting together a list of the different test we can take on the lake because there might be some additional testing we want to do. Bob Sons asked Steve to get some prices too. Steve said yes, they have a price list for every test and for every sample; it may be that we want to do a test one year but not the next. Cheryl said she was told never to burn leaves near or in the riprap because the nutrients will flow into the water. Steve said yes that is true and he plans to write an informational article in the next newsletter. Steve said if the leaves go into the lake they rot and take oxygen out of the lake but if you burn leaves the ashes adds nutrient to the water and helps algae grow. Bob Sons said he thought the article for the newsletter would be good to help educate the members. Bob said if any of you want to put something in the next newsletter get it to Kyla. Steve said if you can't get them away from the water to burn them the next step is they'll blow in the lake so yes the member will burn them. Tony Paquette said maybe we could give the members some alternatives. Steve said he also has a set of Lake Notes that he has at work; anything from aquatic plant management to nutrient and using treated wood for your docks. Steve said he could put together a list of different issues. Cheryl said we could get a brochure wrap together. Bob Gomora said we could give them to the new members at orientation. Steve said we could give them to the different realtors that sell property here so when they sell a home they could give it to the buyer. Tony said he thought it would be a good idea for Kyla to hand them out at the orientation. Steve said he'd put together a list of different issues and roughly 50 sets.

OLD BUSINESS:

Bob Sons stated we received the signed contract back from Royell and they have ordered the tower. Bob said they hope to have this ready in two weeks; they have it staked out where they plan to put it but they need Bill's approval first. Bill said he's seen where they had it staked and he'd recommend that they either put it closer to the road or stagger it with the utility pole. Bob said Joe knows to get in touch with you before this is done but moving it a few feet shouldn't be a problem.

Bob Sons questioned if anyone looked at the list of duties for the Board. Bob said we could wait until the February meeting so everyone has a chance to get comfortable in your positions. Bob stated we'll add this to February's old business.

Bob Sons said Bob Gomora had some calls regarding Dunham Lot #39,40. Bob said we made copies of the complete dates Dunham had projected. Cheryl said he plans to have the whole house completed by December 31st. Bob Gomora said there are 3 basic complaints regarding this property; completion date, looks like a junkyard and sanitation of the place. Cheryl said they did have a porta-potty there. Bob Gomora said there's not a porta-potty now; it's a mess over there and it makes property values go down. Bob Sons said we need to send him a letter stating he may need to seek some help to get this finished. Bob Gomora questioned how long is long enough on this; do we need to have him come in for a consultation. Cheryl stated we've already had him here. Bob Sons said he's a real nice guy and means well. Cheryl said lets write a letter saying he needs to finish his house. Bob Gomora said he needs a specific date as to when it needs to be done. Bob Sons said when we met with him before he gave us a written outline as to when he'd finish this. Bob said we need to send him a letter asking for his intentions or maybe tell him to seek some help to get this done. George Toepfer said if we call him back in it needs to be a one on one meeting not with the whole group. Bob said he agrees but thinks we only need to send a letter asking what his plans are because he has not followed his agenda. Bob stated if he needs to come in and meet with us we could do this 1 on 1 so it's more comfortable for him and us too. George said if you go over there he'll tell you he's going to get it done and you'll walk away not knowing when. Bob Son asked Kyla and Bob Gomora to draft something up and let the board members on the committee look at it before it goes out. Tony Paquette said of all the things people look at this lake, granted it's not the best but through this man's efforts at some time it will be better. Tony said there are other places around the lake that people don't care about that look worse than this man's place. Tony questioned if we have an ordinance that says from the time you start building a house you have 1 year to finish it. Cheryl stated yes, and we've already given him a 6-month extension. George stated he gave Mr. Dunham a 1-year extension not 6-months; everyone else that's built a house has come in and got an extension. Bob said that is correct but with his list of things that he wanted to have done, we just need to send him a letter reminding him to try to get on schedule or hire someone to give him a hand. Norman said the year is up on this but he was given a 1-year extension; he still has 6 months left before we can really do anything. George said we can't expect the man to work in this cold weather. John Munchalfen stated let's be realistic, if we approach him and say we want a completed house we are fooling ourselves. John stated we need to get this guy motivated to get the general appearance of the yard cleaned up; a letter suggesting to clean up his job site. John said we would be better off going this route rather than harassing him to get the house built. Bob said this is what he's leaning towards, he's off schedule but at least clean it up. Norm said we could send him a letter stating to keep the grounds cleaned up while construction is going on. Bob Gomora questioned once the 6 months is over are we going to extend this for a year again. Bob Sons stated we would at that time see where he is on the project. Cheryl stated he's had some physical issues, back problems and a stroke. Ed Burg said he talked to Mr. Dunham's son and he can't afford to hire someone to help him. Norm said it may come to the point where he has to sell the property. Bob Gomora said that's not satisfactory to those that have called him. George said he's not received any complaints on this and he's been on this committee for about 3 years now. Bob Gomora stated there needs to be a time limit. John stated come May let's say he has his floor joist down and it's half-way framed, what are we going to say "no more extensions". John said we may have to look a little past May also. Bob Gomora stated we might have to take legal action. Bob Sons said we need to send a letter telling him he's not following his agenda and he needs to make some decisions. Norm said the letter should say we've reviewed his completion schedule and remind him of his 1-year extension. Bob Sons stated we could send him a letter saying he's not on schedule and ask him if he plans to finish this. Cheryl stated we should ask what's wrong with his itinerary and wait for his answer. Bob Gomora said he'd work with Kyla on getting a letter together.

NEW BUSINESS:

Bob Sons said it was mentioned at the Annual meeting about changing fast time in the fall to sunset. Bob said he thought this was something we were going to pass over because there's only a few that may speed after the time changes in the fall. Cheryl Stine said she thought we talked about changing it to "8:00 p.m. or Sunset whichever comes first". Bob said it makes it difficult, everyone will need to carry a watch and it's only a few weeks at the end of the year. Bob said most members know not to drive fast after dark, there's only a couple that do this. Bob said his thoughts were it's hard enough to keep track of what days to go fast and the times so he really hates to change things. Norman Brand said Sunset is very vague. Bob said there are only a handful of people and John is aware of them. Bob said 12:00 to 8:00 covers it other than maybe a week out of the year. Bob Gomora said it could read 12:00 to 8:00 except from September on. Bob Sons said if the board wants to change this, we could. Cheryl said she's comfortable with leaving it alone. Bob Gomora said maybe we just deal with the few that are doing this. Bob Sons said he does a lot of work out here and there are some that speed in the morning. Cheryl said she thought this summer it was new members. Bob said the ones he has seen were older people that have been at the lake for quite a while. John Munchalfen said there are a lot of newer members that need to be refreshed with some of the rules but what he's found, it's the older generation quick in the boat rather than the younger. Bob Gomora said we should put something in the newsletter reminding them to review the rules because we will be giving out fines. Bob Sons said we could also put in the newsletter not to be going fast after dark even though fast time is until 8:00p.m.

Bob Sons said usually the board gets together to have a Christmas Party. Bob said it's been on a Thursday in the past but wondered if we want to do this on a weekend. Cheryl asked if it would be Friday or Saturday night. Tony Paquette said with folks that work maybe a Saturday would work out best. The Board decided to have the Christmas Party on Saturday, December 17th at 6:00.

Bob Sons said the county would like to deputize Bob Gomora to take care of things such as burglary, vandalism, basically to be a police officer here at Sunset Lake. Bob Gomora said the only reason he needed to be deputized was he didn't carry traffic tickets with his current job. John Munchalfen asked how far does his authority go. Bob said if someone has a burglary he'd start the paperwork process, he plans to make sweeps thru here and also make sure nobody is breaking into boathouses. Bob said he'd also try to make sure if someone is gone for the winter watch their place. Bob Sons said he's going to try to get someone from the sheriff's department out here at least once a day or every other day, once a week is better than nothing. Bob Gomora said he'd like to have a car come thru here once a shift. Bob Sons said we need to vote on this. Cheryl Stine made a motion to have Gomora deputized; Norman Brand seconded the motion and the Board voted unanimously.

TRANSFERS: The following transfers were approved upon motion by George Toepfer and seconded by Bob Gomora.

- #27 Veteran's Administration to James P. & Kelly R. Marsaglia
- #79 Walter Jacober to John M. & Toni G. Musgrove
- #137 Richard & Betty Maquire to Keven F. Tait and Erin E. Hejmej
- #238 Jerry & Dee Divjak to Janet Hammond

The Board agreed unanimously.

ADJOURNMENT: Upon motion by Steve Kolsto, seconded by George Toepfer, the Board agreed again by consensus to adjourn. The meeting adjourned at 8:21p.m.