

June 4, 2019 Meeting of Sunset Lake Association Board of Directors

I. Call to Order, President Wilken- meeting called to order, 7:03pm

II. Pledge of Allegiance, VP Johnson

III. Roll Call (Sec. Walkenbach)

Pres. Wilken	P																			
VP Johnson	P																			
Treasurer Martin	P																			
Secretary Walkenbach	P																			
Mark Severns	P																			
Randy Smith	P																			
Sue Muschong	P																			
Joyce Munie	P																			
Dennis Denny	A																			

IV. President Wilken, call for changes or corrections to the agenda

- ACTION, close the agenda- So moved by J Munie, second by President Wilken, motion passes

V. Membership and Guest Recognition

- Lot 254 Deb Thompson, asked to read a letter stated, but not signed, from former office book keeper Barb Grissom. "I started my work association with the Lake on August 29, 2018. The Lake was in turmoil at that time and the new Board was trying to organize the office, which was no small feat. The filing system was indeed in much need of total re-organization. In my own words, I think I said, "Man, this is screwed up!" Volunteers gave their time to come into the office and help with this, and although it did not happen overnight, the office started functioning as a business office could. I don't think this could have happened without the leadership of Deb Martin. She took the bull by the horns and delved in and gave countless hours of her time to make this happen. I don't think most of the Lake residents really know how much time she spent in the office in this pursuit. Deb is one of the smartest people I have ever met. Believe me, you need her at a time like this when the Lake is dealing with legal situations. During the time I worked there she always did her best to conserve money and do what was best for Sunset Lake & its residents, and keep the office running smoothly. I admire her passion and selflessness. I realize when there's issues to be resolved that not everyone is going to see eye to eye and in these instances there needs to be compromise and ego's need to be set aside. I know when you Board members took on these jobs at a very difficult time, you did so because you wanted to help Sunset Lake and your hearts were in the right place. The Lake needs all of you now more than ever before, working together as a whole unit. With sincere wishes, Barb"
- Lot 16A Frank Mineo, stated that if there is a problem with Deb Martin it needs to be straightened out. President Wilken stated that any issues are being discussed in Executive Session, Frank suggested that this isn't a staff issue so it is appropriate be discussed in open session. President Wilken disagrees in that any information that could be considered harmful is to be discussed in closed session.
- Treasurer Martin, motion to suspend rules to bring forward a motion on the agenda by Randy Smith. President Wilken, there is no such motion on the agenda so nothing to bring forward. Treasurer Martin discussed the email in question, President Wilken responded there was nothing to discuss. A member

present began clucking and for a second time interrupted the meeting. A warning was given by President Wilken that outbursts will not be tolerated.

VI. Reports

a) May 7, 2019 Board Meeting

- ACTION, approval of minutes, moved by J Munie, second by VP Johnson. Motion carries

b) Treasurer's Report, no report

VII. Old Business

a) Assessments, delinquencies, foreclosures, property tax delinquencies - Treasurer Martin, I have no access to the attorney to report this information, that would be you as President. President responds that it has been given by the Treasurer all year, Treasurer reports, all assessments are current except Lot 117. Delinquencies are still owed by Lots 67, 117 and 144. All property taxes are current and no information on Foreclosures, that should be done by the President, who stated he will take under advisement.

b) Spillway work and tower restoration, update President Wilken, Mark Severns - We received one bid on the spillway work from Vector, Inc. from Decatur, IL.

- ACTION, President Wilken moves to accept the base bid of \$101,716, seconded by Mark Severns. Motion passes.

c) Legal actions, President Wilken - We have received the draft lease for the Girard Fire Protection District firehouse, a few slight revisions are being suggested, this will be brought to the Board next month for approval prior to sending to GFPD for signature. This should rectify this issue where an incorrect lease was filed. The letter detailing transactions made, and potential misappropriation of funds has been drafted and is being reviewed by the Board. We have a Human Rights Hearing scheduled for June 26th regarding a former employee, that hearing should be the last for this issue as well. To date we have spent \$9,322.50 in total legal fees.

VI. Reports

a) President Report, President Gary Wilken- The current Board of Directors became members of the governing body of SLA under trying and troubling conditions during 2018. By the end of 2018 there were no previous Board members, except Dennis Denney who had served in the 1990s. We were presented with the demand by the membership for an Audit of the 2017 Operating Income & Expenses. That task was completed in October of 2018. The Audit pointed out several concerns that this new Board has attempted to address including: 1) Firehouse lease and possible misappropriation of funds; 2) Possible misappropriation of SLA funds in 2017 and earlier; and 3) Rectifying why there are more lake lots than there are annual Assessments. In the course of trying to address these issues both the office secretary and the maintenance man left their positions, and new staff had to be hired. We are very close to completing the work to finalize in a fair and equitable manner. More about that later. In the meantime, all nine Board members love this lake and are working hard to make it a better place to live. It has been VERY difficult and time consuming to review and recommend the best way to proceed on these controversial issues. It is unfortunate that some members have turned against the Board, and more unfortunate that Board members have taken disagreements in how to proceed as personal attacks against them. These two unfortunate situations must be resolved so we can all move forward. In order to move forward we can offer the following updates: 1) Spillway Repair bids were received May 24 and recommendations for approving a construction contract will be presented later in this meeting; 2) The Board will

also consider whether to lower the lake this Fall, so the last phase of dredging can be completed in late Fall/Early Winter; 3) Legal Issues, 3.a) Attorney Appleton has presented a DRAFT lease to the Board for review and comment. After comments are received from all Board members the revised document will be sent back to the Attorney, to finalized the revised lease with GFPD; 3.b) Attorney Appleton has presented a DRAFT letter to Mr. Sons requesting resolution/documentation on transactions he completed while President of the Board that cannot be explained. Once our review is complete the Attorney will send the letter and request that he responds within 28 days of receipt; 3.c) Jim Wilson case, A response from the Illinois Department of Employment Security should be received any day now. A hearing date of June 26, 2019 has been set by the Illinois Department of Human Rights to adjudicate the claims made by Mr. Wilson; 3.d) There are five other minor issues that are being handled by Attorney Reichert and Attorney Giuffre; 3.e) we have received no other invoices for legal fees since the last meeting that I am aware of, putting our expenditures for legal fees at \$9,322.50; 4) We have had many requests for an updated SLA Membership List and hope to have that completed within the next month; 5) In new business we will announce revised committee assignments for some of the Board members; 6) The 2018 SLA Tax Return is being completed by Sikich. They have been granted an extension and must be filed by October 15, 2019; 7) I would like to thank all the volunteers who have assisted in mowing the Common Areas and Rights of Way the past three weeks. When Mike Bigley was hired in January, he told us he had a three week Alaskan Cruise and vacation planned for May. So the volunteers have done a great job filling in for Mike. He is back at work as of last Monday; and 8) The Multiple Lot Issues should have been completed by now but other time demands and hospital stays have slowed me down this past week. My hope is to contact all 19 impacted lease holders in June and make a recommendation to the Board for approval at the July Board meeting.

b) Water Safety, Thane Johnson- Memorial Day weekend went off well, all is good no problems to report.

c) Building & Construction, Sue Muschong- May Permits, Lot 10- metal canopy, Lot 166B- roof replacement on boat house (no fee), Lot 9A- awning over patio, and Lot 215A- new deck. Pending Permits, Lot 112- dock (waiting for resolution), Lot 137- dock addition (waiting on payment), Lot 165- framing/siding (waiting on transfer to finalize), Lot 159- new home, Lot 102/102A- new home. Some action items will be presented under new business.

d) Dam, Roads & Grounds, Mark Severns - Vector Inc., who bid on the spillway is a good reputable company. I have rock coming for the roads, the price of oil may be going up this summer but I want to get as many roads done on the other side as possible this year, this will probably happen in August. Thanks all for helping with the mowing while Mike was on vacation.

e) Finance & Insurance Committee, Treasurer Deb Martin - The Committee met twice this month, the first was the regular scheduled meeting where we looked at projections. Based on concerns the Committee met again to discuss recommendations, they are recommending extreme belt tightening based on revenues coming in lower than expectations and some expenditures higher than expectations.

f) By-Laws, Rules & Regulations, Joyce Munie - I will be continuing as Chairman of this committee, we will have a meeting next week. This isn't a fun committee but we do need representation on the committee as we go through and propose rule changes.

g) Sanitation, Randy Smith - Lot 110 which needed chlorine has been taken care of.

h) Lake Management, Secretary Amy Walkenbach - Water testing started last month, we had transparencies of 26 - 32". Some of the algae mats are being pulled out by members, that is great to see, we encourage you to pull out the algae and compost. The Fisheries Biologist from IDNR will be here tomorrow for the fish survey. And I would like to report that Illinois EPA did visit a property at Sunset Lake for an inspection

concerning a potential tire dump. Nothing else was inspected, not septic tanks, not chlorine bottles, not rail road ties. Illinois EPA has no jurisdiction over any of these, nor do they have the time or inclination to inspect non reported issues.

i) Special Events, Dennis Denney - No report, absent but President Wilken did pass along that the Poker Run was great, BINGO has been good and keep informed about SLA Events via the SLA webpage.

VIII. New Business

a) Confirmation of new committee assignments - President Wilken announced the following changes

- VP Johnson adding Grounds Committee to his Water Safety Committee duties
 - Randy Smith will take over Lake Management and Amy Walkenbach will take Randy's Committee of Sanitation
 - Sue Muschong work with President Wilken and Treasurer Martin concerning Finances
- ACTION, Joyce Munie moves to confirm new Committee assignments, second by Sue Muschong, motion passes.

b) Building and Construction Regulations

- ACTION, Section 38.A.2.a change the wording from "On new housing, an "Occupancy Completion Certificate" must be obtained prior to moving into the structure." to "On new housing, **a "Certificate of Completion"** must be obtained prior to moving into the structure." - Sue Muschong moved the action forward, second by Joyce Munie, motion passes.
- ACTION, add to Section 38 a new Rule entitled **"Section 38.A.1.e, Any lot being developed for the first time must have a letter from Nilwood Water stating that water service will be available by Nilwood Water, to the residence, prior to the Building Permit being issued."** Sue Muschong moved the action forward, second by Joyce Munie, motion passes.

c) Water Skiing and Towing of Riders

- ACTION, Section 10.D change the wording from "Boats towing skiers/riders must be occupied by at least **two (2) persons: one driver and one spotter, 15 years of age or older** at all times, and both must be competent to handle the boat in an emergency." change age from 15 years to 12 years. - VP Johnson moves the action forward, second by Randy Smith. Board discussion follows.
 - Treasurer Martin moves to suspend rules for further discussion with members, Joyce Munie seconds. Motion passes
 - Treasurer Martin moves to unsuspend rules, Joyce Munie second. Motion passes.Motion passes, seven ayes, one nay.

d) Grounds

- Action, purchase a push lawnmower from Kruse Enterprises, cost not to exceed \$480 - VP Johnson moves the action forward, second by Randy Smith. Board discussion follows.
 - Treasurer Martin moves to suspend rules, Joyce Munie second. Motion passes.
 - Treasurer Martin moves to unsuspend rules, Joyce Munie second. Motion passes.Motion passes, seven ayes, one nay.

IX. Lease Transfers

Lot 226, Tyler and Tara Burgess to Harry Kasprzyk

Lot 250, Shane and Mindy Melton to Ron and Deanna Hays

Lot 287, Gary Bahlow Declaration of Trust to Terry Moore and Mary Roseberry

X. Membership and Guest Recognition

- Lot 95, Ken Jones- I just wanted to let everyone know that Nilwood Water is planning to build a new water tower near Carlinville Cutoff and we will be getting all new water lines.
- Lot 116A, Barb Anderson- verbatim "I am a neighbor of Deb's I am also a neighbor of other people on this Board I know what's going on and it's not nice. Deb has worked tirelessly for this Association and for the Board to treat her like this makes me sick to my stomach. This Board is not working for us they are working for their own agenda and I think we need to think forward and think about maybe a different forum of governing. I belong to an HOA in Johnston, Iowa, I get an accounting every single month down to the cent of what is being spent and what's coming in. We have no idea we just heard that our expenditures exceed our revenues doesn't that make you think we oh we lost \$250,000 that's a [unintelligible word] what's going on? we want to get rid of the treasurer, dah think for yourselves people, spread the word, I'm sorry this is a disaster."
- Lot 254, Deb Thompson- what is going on with boat revenue? I see boats on the lake with no stickers. President Wilken, the purchasing of stickers seems to have slowed with the process of having to show boat registration at the time of purchase. Treasurer Martin states she doing an audit of the stickers, we have six unaccounted for stickers. The paperwork might be slowing things down.
- Lot 29, John Kemp- Thank you Ken Jones, Jerry Winterland, Gary Kennedy and Arlen Sieg for their help mowing.
- Lot 100, Arlen Sieg- I have a stump in the lake in front of my property, I mark it and the marker keeps getting torn down, I'm not marking it any longer.
- Lot 225, Ellen Harlow- I question the lease transfer process, there wasn't a vote taken tonight on the transfers, the improvements to the shoreline weren't enforced to a recent seller. VP Johnson, we have the funds to address that riprap issue secured by the seller. President Wilken, this case was a mix up in getting information to the sellers and has been resolved. E Harlow, asked who decided who is getting a letter from SLA concerning the misappropriation of funds? President Wilken, the recommendation is coming from our attorney and doesn't preclude us from sending out other letters in the future based on the information received from the first letter. E Harlow, I spent time in the office to develop a membership list. President Wilken, no we weren't aware that you had done this. Thank you. E Harlow, and I just wanted to check with Thane, did you check the weed eaters? VP Johnson, yes I did and they work.
- Lot 284 Norm Brand, this Board is totally under the microscope with everyone coming at you. My only issue now is prior to last fall's elections this Board was coming together. Now with the same Board with one exception you have lots of conflict. Get back and work together, Deb Martin is a hard worker.

XI. Board Comments

Treasurer Martin- I would like to read this email that the Board received by President Wilken, "Attached is a proposed motion that will be brought forward at the BOD Meeting Tuesday night. I am calling an Executive Session of the BOD for 6:00 pm on Tuesday June 4, 2019. It is my hope this issue can be discussed in

private with civility and understanding by all of the BOD. Based on the outcome of the Executive Session we can deal with any remaining issues in the regular BOD Meeting that follows.

Article IV Board of Directors

SECTION 7 A. Removal

Any director who shall miss three (3) consecutive meetings or fifty percent (50%) or more within any fiscal year of the Board of Directors without reasonable cause shall be deemed to have resigned his position and a new member shall be selected to fill the vacancy by the board. The Board of Directors may determine what shall constitute reasonable cause for failure to attend such meetings.

B. Any Director charged with malfeasance (wrong doing, misconduct), misfeasance, or nonfeasance (dereliction, disregard). Per letter written on May 14, 2019 at 11:09pm by Deb Martin and sent to the BOD and the Finance committee... We were able to identify that in fact we were going to be about \$40,000 short after the errors were discovered.... Her response in the above mentioned letter, "This BOD expects me to answer questions about finances, revenues, and expenditures yet I can't get answers from Amy on Transfers, Randy on fines/warning or inspections, Gary on break out of legal expenses. Sue stated tonight there were prospective revenues coming that I would not know about. How can I provide accurate information without this knowledge? Or is that YOUR point? Setup?" Deb throws out accusations about other board members not providing her with information, and accusations about setting her up, so how would could she make such a threatening "shortfall of \$40,000" statement, if she doesn't have all the information? And how can we be \$40,000 short if the April treasurer's report states that we are only over our budget on the Insurance at 106% and Professional fees at 108%.

C. Any Director found to be in Conflict of Interest. Lot 112- a Demand Letter was sent to SLA requesting the Association reimburse the leaseholder for mechanical dredging they would like to do. The BOD met to discuss and has sent a letter denying this demand. If you are on the board of directors for the association should you really sue the lake for personal gain or is that a very large "Conflict of Interest"?

D. Any Director found to be conducting themselves in a gross unprofessional manner resulting in physical or verbal abuse of a member. Per letter written on May 14, 2019 at 11:09pm by Deb Martin and sent to the BOD and the Finance committee... There seems to be one set of requirements for Deb Martin and a separate set for all other BOD members. I do not see all BOD members being required to submit their report in writing. Nor do I see the rest of the BOD required to give motions ahead of time in writing for Amy to review. Discrimination? This is an unfounded accusation, as you did not ask if the rest of us had to follow this same requirement. And yes, we have been asked to do this, not just Deb. Once again, a false accusation.

Per letter written on May 14, 2019 at 11:09pm by Deb Martin and sent to the BOD and the Finance committee... Just because there are BOD members who do not like me (Deb Martin) and want to make my life hell, do not take it out on them and their work. The BOD have not done anything to try to "make Deb's life hell", and the BOD does not take anything out on the Finance committee. Once again, a false accusation by Deb.

Per letter written on May 14, 2019 at 11:09pm by Deb Martin and sent to the BOD and the Finance committee... Amy and Gary have done a great job making me out to be the bad guy and not providing this or not providing that. Other board members do not "make Deb out to be the bad guy". This is yet again another false accusation by Deb about behavior of other members of the association.

E. Any Director found to be in flagrant violation of existing rules or bylaws...

Rules and Regulations SECTION 31. Authority of the Board of Directors.

A. Peaceful Enjoyment of Premises

No lessee, member of lessee's household, or guest shall act in such a manner that will disturb, annoy, or harass other persons or Association property, or that will disturb neighbors' peaceful enjoyment of their property. Official complaints have been submitted in writing by Dan and Nikki Tabor, against Rich and Deb Martin. The Martin's harassment of the Tabor's is unacceptable. Rich and Deb are disturbing the peaceful enjoyment of the neighborhood by making false accusations and complaints to other board members which include complaints about the Tabor's lawn, their vehicles, their invisible fence, the size of their windows, the color of their roof, and by saying they were burning vinyl siding and oil in the burn piles, which was completely untrue. Most recently Deb has called board members stating that the Tabor's have ruined the roads, and have torn up the ditch adjacent to their property. (The ditch was caused by a delivery company which had already stated they were

going to fix this as soon as the weather permitted. This was all worked out prior to Deb harassing the Tabor's and other board members with this complaint.)

Deb Martin has also lied to other members of the staff of the association, and the BOD regarding Randy and Colean Smith, stating that they had an "illegal boat" on the lake. She also called Thane and said the boat that they DID have on the water was unstickered, which was also a complete lie.

Per letter written on May 14, 2019 at 11:09pm by Deb Martin and sent to the BOD and the Finance committee...It is uncalled for, a BOD member and SLA member to call the EPA in on me for running a "Dump". That may have just opened a whole lot of trouble for the entire lake... Once again false accusations and lies about other BOD members, and lies about who called the EPA, who she spoke to at the EPA, and what she was told from the EPA.

By-Laws state that:

1. Removal Action of a Board Director can be initiated in either of two ways:

a. By a majority vote of the Board of Directors which must state the reason and evidence for removal.

b. By any member providing a petition with signatures from at least thirty-three percent (33%) of the membership, listing the reason and evidence for removal. Such petition shall be taken up by the Board of Directors following notice at its next regular meeting.

2. A Board Director may be removed by a two-thirds (2/3) vote of the membership, including proxies, present at an Annual Meeting or a Special Meeting of the Association, notified according to Article III, Sections 1 or 2.

At this time, and based on the evidence listed above, which proves, malfeasance misfeasance, nonfeasance, conflict of interest, AND disturbance, annoyance, and harassment of other persons or Association property, and disturbance of neighbors' peaceful enjoyment of their property, I would like to ask for a vote for removal of Deb Martin, from the board of directors. Randy

Randy Smith"

President Wilken responded that the email was sent out to announce an Executive Meeting with the intent of resolving the matter presented.

- Sue Muschong- This Board is being blamed for doing things we haven't done- we all respect Deb, we don't talk bad about her, we know what she has done for SLA, we fully acknowledge her good work. However, we question why she cut incomes without asking other Board members their thoughts. We were dumbfounded when she told members during her committee meeting that we were in a deficit of \$162,000...
 - Sue's comments were interrupted by a members outburst concerning a private vote on a fence and other comments shouted about Board members. President Wilken asked her to sit down or leave. President Wilken adjourned the meeting.

XII. Adjourn- 8:23pm