

March 5, 2019 Meeting of Sunset Lake Association Board of Directors

Minutes-Draft

I. Call to Order, President Wilken- Meeting called to order, 7:06pm

II. Pledge of Allegiance, President Wilken

III. Roll Call (Sec. Walkenbach)

Joyce Munie- present

Sue Muschong- present

Mark Severns- present

Gary Wilken, President- present

Deb Martin, Treasurer- present

Thane Johnson, Vice President- absent

Dennis Denney- present

Amy Walkenbach, Secretary- present

Randy Smith- present

IV. Membership and Guest Recognition

- Judy Hendricks Lot 251. Please bring up the buoy issue that we brought to the Board previously.
- Prior to moving on to old business President Wilken reminded members to check the SLA webpage prior to meetings for the agenda and any supporting documents.
- Secretary Walkenbach asks that a new item be added to the agenda, VII, new business add Horse Power limits. President Wilken agrees.
- President Wilken asks for additional agenda items for consideration.

V. Old Business

a) February 5, 2019 Board Meeting

- ACTION, approval of minutes- Treasurer Martin motions that no action be taken on the February 5th meeting pending resolution of V b) and V c), second by J Munie. Motion passes.

b) Treasurer's Report- Treasure Martin: There is no treasurer's report for February, but it will be available no later than the April meeting. This is due to office staff being given contradictory directions to procedures and accounting practices put in place at the recommendation of Sikich LLP by Board Members other than me. Until every transaction can be thoroughly evaluated, an accurate report cannot be given. Barb and I will be working together in the next few days to meticulously evaluate each transaction recorded in February. Apologies to the membership. The following are bank account balances as of February 28, 2019: Checking: \$31,703.53; Money Market: \$163,378 earning \$45.09 interest; Lake Reclamation: \$73,169.27; CD: \$25,396,85; Petty Cash: \$95.00. During the month of February our bank transferred ownership to CNB Bank and Trust. This has caused some accounting issues at the bank. These are believed to be correct but not verified. No funds were transferred to the Lake Reclamation account for February until we can get accounting correct.

Further Treasurer Martin stated that Robert's Rules states to never approve a Treasurer's Report.

- ACTION, approval of report- no action taken

c) Assessments, delinquencies, foreclosures - Treasure Martin. See attachment 1. S Muschong moves to suspend rules to discuss the property tax issue, D Denny second, motion passes. Open discussion on possible issues. The finance committee will explore the issue and propose policy to the BOD.

d) Lake lowering/Dredging/Buoy Placement - Upcoming workshop, March 19th 6:00pm. This workshop will focus on lake related items only, all members welcome to participate.

e) Spillway work and tower restoration, update President Wilken, Mark Severns: This subject will also be addressed at the workshop. We still need to understand how much will be available for spillway and tower work. The RFP is planned to be available at the April meeting for approval. While we will leave the timing of the work to be completed to the contractor it is anticipated it will happen late summer early fall, construction is anticipated to be completed in six weeks upon initiation. J Munie suggested that since our plans are to open bids for the spillway work in June we should use that time as an opportunity to discuss fall dredging that wasn't able to be completed last year.

f) Legal update - President Wilken: Our Attorney, August Appleton will be present at the April 9th meeting to give an update. He is giving a legal opinion on the multiple lease issues regarding assessments, his opinion will give the BOD some ground rules on how to look at leases. It is hoped that the BOD can take action on most of the leases in question. Appleton

asked for additional information on the Firehouse lease and is working to finalize a new lease for the BOD's approval.

g) Recycling - Secretary Walkenbach: After checking with Flowers Sanitation Service they will not extend recycling into any new areas until the recycling market improves.

VI. Reports

a) President Report, President Gary Wilken: We will be looking to extend the Part-time maintenance employee by three months as we consider how to proceed with this position.

- Treasurer Martin motions to extend part time employee Mike Bigley's employment by 90 days. J Munie seconds.

We are considering different mowing options for this summer. Alicia Mayfield, our Receptionist recently completed her Vet Tech program and has submitted her resignation effective March 16th. We will be advertising for a replacement, hours and pay will be the same as Alicia's.

b) Water Safety, Thane Johnson: no report

c) Building & Construction, Sue Muschong: Old Business- Permit Lot 111 approved (addition/porch). At the last meeting I reported I would look into 2018 Dock Permits (16), I called all 16 and found: two were affected by allowing the lake refill early (215A and 107); four had no problems and will be completed this spring (28, 243, 220, 59A); 10 have completed their projects (149, 46, 223A, 221, 34, 139, 203, 250A, 209, 201). Current- Approved replacement of boat dock (208), approved private sanitation construction (279), processing boat dock (275) processing boat dock (173). New- I would like to explore the issue of allowing floating docks on Sunset Lake. If anyone wants to help by being on a Committee to research please contact me.

d) Dam, Roads & Grounds, Mark Severns: Continue to work on burning leaves, cleaning brush, salting roads. This spring will be working on new signs and new buoys for the lake. The ladder cover for the tower is completed and needs to be installed. Dennis Denny asked about the culvert and flooding at the North Lake Entrance, this is a Township road and they are aware of the problem. Treasurer Martin, kudos to Mike Bigley for the good work his is doing, especially with the snow and ice.

e) Finance & Insurance Committee, Treasurer Deb Martin: see attachment 2. Further, Treasurer Martin accepts the responsibility of those that were upset about receiving fines for unpaid or late first installments. Upon reviewing the lease it was later determined that late fees could not be enforced until 90 days after receipt of the invoice, that would be April 1, 2019. The penalties that were sent out will be reversed. Apologies from Treasurer Martin.

- Motion by Treasurer Martin to send out individual leases, highlighting the section that allows for eviction if assessments are not paid, to all members with an unpaid balance. Second M Severns.

Discussion follows, President Wilken asks former Board Member Ray Reardon if the Association has ever evicted any member for not paying assessments, No, past Boards have always worked with members to get them in good standing.

- Motion passes.

S Muschong, regarding the Insurance Coverage, it fully covers a furnace no matter the age or condition at the time the insurance was purchased? Treasurer Martin, yes, it's true.

President Wilken, can the Committee look at changing banks? Treasurer Martin, yes we will.

President Wilken, can we look at a way to get complete financials for the previous month for the BOD to see at each BOD meeting? Treasurer Martin, ok.

President Wilken clarified the spillway and tower costs, these are the cost to develop the detailed specifications and bid documents, not the actual construction work.

f) ByLaws, Rules & Regulations, Joyce Munie: To date I have one volunteer for the Committee and three items we will be considering for a change.

President Wilken, in looking at past Annual Meeting Minutes there historically wasn't a record of new or changed By-Laws, we did a much better job this year of putting that language on the agenda and they will be reflected in the minutes.

President Wilken, I have asked J Munie to look at approximately 20 parcels that SLA pay taxes on including two leaseholds, we need to identify and locate who is paying the property taxes, some are partial lots, some full lots.

g) Sanitation, Randy Smith: Have been working with Maguire and will be reaching out to other companies to get information on septic systems at the lake. Also, I talked with the Neff's, the farmers to the west of us and they are willing to work with us on the gully issue.

h) Lake Management, Secretary Amy Walkenbach: Our next Committee meeting is scheduled for March 23rd, 10:00am, all members are welcome to attend. Last week Illinois EPA sent out a letter stating they are suspending the Volunteer Lake Monitoring Program, with no indication on whether or not it will be reinstated. Our Committee will be discussing how we want to proceed. I have reached out to a local laboratory to find out costs if the BOD decides to proceed in the future with water quality monitoring. I will bring a recommendation to the BOD

at the April meeting. We need to figure out how we will be handling the goose control program this year as that is something Jim Wilson handled previously. M Severns stated he has the permit and will be working with Mike Bigley.

i) Special Events, Dennis Denney: We have been very busy with special events; lots of thing in the work, and other things that already taken place. 1) Murder Mystery (Feb. 9) was well attended. Everyone seemed to enjoy themselves, with some staying after visiting and getting to know one another. The event netted \$320. We are working on plans to host another in the Fall. 2) Paint Night (Feb. 17), also well attended with lots of fun had by all. The event netted \$285. More Paint Nights are in the works. 3) Envelope Party (Red, White and Booze) sponsored by Brian and Debbie Thompson was a great night of fun, laughter and comradery. It netted \$1,710 for the Special Events funds. We want to give a big thank you to Brian and Debbie for opening their home for this event. 4) Thanks to the generous and anonymous donor, we now have BINGO equipment which cost the Lake Association nothing. At this time, we are waiting for our licensing to come back from the State of Illinois, but our tentative plans are to have BINGO every Thursday night, with all proceeds going to Special Events. R Smith, will we have to pay taxes on revenue? D Denny, yes. 5) We are recommending to the BOD that we sign a contract with Falling Skies Pyrotechnics located in Carterville, IL for our July 6, 2019 fireworks display.

- Motion to approve signing the fireworks contract with a not to exceed \$10,000 limit, should the Committee want to increase the dollar amount they will come back to the BOD for approval by D Denny, second by Treasurer Martin. Motion passes.

Looking for volunteers, particularly past volunteers to help with the upcoming fishing tournament.

- ACTION, approval of Committee Reports via Consent Agenda. D Denny moves to approve all Committee Report via Consent Agenda, second M Severns. Motion passes.

VII. New Business

a) New Transfer Property information page, Secretary Walkenbach: Presented a draft informational page to help Board Members, staff, members selling, realtors and potential buyers understand the paperwork required for transferring leases. This will be finalized and adopted as SLA policy.

b) Horse Power limits, Secretary Walkenbach brought forth a request that was made by a member and brought to VP Johnson (not in attendance) for consideration to increase the HP limit of pontoon boats to 60HP. After some discussion by the BOD it was referred to the Safety Committee for consideration and a possible vote by the members at the Annual Meeting.

c) (not on or added to agenda), Treasurer Martin moves to increase copy fees from \$0.03 to \$0.25 each to cover cost of all associated expenses including supplies, maintenance contracts and repairs. Second by President Wilken, motion passes with one no vote.

d) (not on or added to agenda), Treasurer Martin moves to authorize legal counsel to move forward with a Cause of Action or similar legal actions in an attempt to recover any lost funds from Sunset Lake Association in regards to the Firehouse, Fireworks, or other misappropriated funds. Second Mark Severns. A rather heated and passionate discussion followed, accusations were made against fellow Board Members, strongly denied ending with President Wilken directing all Board Members to stop the rumors and accusations and start working together. Finally calling for a vote, Treasurer Martin asked for a roll call vote:

Munie-No

Muschong-No

Severns-Yes

Wilken-No

Martin-Yes

Johnson-absent

Denny-Yes

Walkenbach-No

Smith-No

VIII. Transfers- None

IX. Membership and Guest Recognition

- Marty Crews, Lot 78- The SLA Membership needs to hold the Board of Directors who voted no. Also, the book work got done wrong because staff got cross direction? This is just like the old Board of Directors. President Wilken, You could not be more wrong. We are for you our members, not against you.
- John Kemp, Lot 29- people need to fish more, it builds patience. Attorney's take time, let them work.
- Ellen Harlow, Lot 225- Plug for the current staffing of the office, love the weekend hours and having two people in the office, I hope it can be maintained. Also, I understand the concern with the costs associated with legal fees. What's the position of moving

forward with criminal which shouldn't cost anything. President Wilken, we need legal counsel to present case to States Attorney, do we do this fast or right? S Muschong, we think we moved to fast with the multiple lot assessments and want to make sure we do this right. E Harlow, I appreciate the time all the members have put into the legal matters.

X. Board Comments

- S Muschong, I know this is hard but we need to look closely at all the documentation, and hard. The audit was hard, but good for us. We don't want to be put into jeopardy because we make a decision without all pertinent information. We must know what we are saying no to or yes to. This hasn't been easy for the Board.
- Treasurer Martin, Sikich was paid \$6,000 to guide us on account procedures, i.e., 501(c)(3). The BODs are ignoring process, staff called BODs and got different answers than what they had been directed by Treasurer Martin, the BOD is undermining the accounting system.
- R Smith, offers to head up a Fish Committee. Also, I am not against dredging, I just want to fix the problems before dredging.

X. Adjourn- Secretary Walkenbach moves to adjourn, second by President Wilken. Motion carries. 9:28pm