

# Hidden Valley Lake

Property Owners Association

Board of Directors Meeting

February 25, 2010

APPROVED

**Board of Directors Present: Robert Starks, Donna Lask, Jeff Fuell and Bill Blantz**

**Board of Directors Absent: Karen Shell**

**Community Manager Present: Bruce Keller**

President Robert Starks called the February 25, 2010 Board of Directors Meeting to order at 7:00 p.m. The meeting began with the Pledge of Allegiance.

## **President's Report: Robert Starks**

Thank you for joining us and please remember to turn off your cell phones.

I recently had the opportunity to write an Annual State of the Valley message. In preparing this report Bruce and I visited and reviewed our major amenities. I also summarized a few of the significant achievements that were made in 2009. We are all proud of our various accomplishments for 2009 and I would like to take this opportunity to thank Bruce Keller for his support and most importantly, his timely follow through to help complete these projects in a timely manner. Thank you Bruce.

The subject of a Ballot concerning our recent tax refund has created a lot of comments and emails. The tax refund is more that 15% of our annual budget. For this reason the HVL POA Board of Directors has concluded that the rule found in section 3-6, number J, 2 does apply and the community must have the opportunity to vote on the disposition of these funds. For these reasons a ballot is on our agenda to be discussed in this public meeting. Lets work together to create the best solution for our community.

Also just a reminder, 1 ½% of the money we spend at the Willie's here in HVL does come back to our own POA. Willie's is locally owned by HVL resident Steve V. The food and service is terrific and when you visit Willie's you are also supporting your POA.

Thank you,  
Bob Starks

## **Treasurer's Report: Donna Lask**

January income was \$728,828 which included a real estate tax refund from Dearborn County of \$569,694. We had \$159,134 of regular income which was \$1415 less than budget. Expenses were \$13,074 less than budget leaving us a net of \$11,659 better than budget for our normal items plus the extraordinary item. The lower level of expenses was due primarily to the elimination of the property tax accrual of \$10,000 per month.

## **Secretary's Report: Jeff Fuell**

**Motion to approve the January 28, 2010 POA Board of Directors Meeting Minutes.**

**Motion made by Bill Blantz and seconded by Jeff Fuell. Motion passed unanimously.**

### **Community Manager's Report: Bruce Keller**

Annual Meeting scheduled for April 17, 2010 (Lunch served at Noon with meeting following at 1 PM).

Sluice Gate Closing Ceremony February 27, 2010 at 11 AM at Willie's.

Candidates Night Scheduled for March 9, 2010 at 7 PM.

Vandalism is alive and well here in HVL. We have had several signs defaced in the last few weeks. They will cost several hundred dollars to fix and replace.

As reported last month the food drive was a success. My thanks to all the staff members who were involved. The winner of the food drive competition was the Garden Club. The POA staff won on the employee level so both groups will get a pizza party.

I appreciate the kind words from Bob, but I would be remiss if I did not mention Rick Manion and his maintenance crew for the great job on snow removal. Also the deputies have made HVL safer.

George Lucas, Lot 1587, had a suggestion to involve realtors with the helicopter pilots to show properties from the air.

Bob Starks asked about the \$250 reward for vandalism and Bruce said it is in effect.

### **Appeal of late fees:**

Mr. Darrin McQueen wishes to contest the late fees levied on his semiannual lot Assessment Dues and Fees. Mr. McQueen has lived in the Valley for about 7 years. He said he paid his bill on time by putting it in our mail box. The POA never received it. When asked if he put a stop payment on the check he said no. There was no motion. Mr. McQueen thanked the Board for their time.

## **COMMITTEE REPORTS**

### **Judicial Panel: Emmy Myers**

Appeal of speeding ticket fine by Mary Dunham. She has never received a speeding ticket before. Deputy Jim Fanning was questioned about calibration of the equipment. Motion to deny by Donna Lask and seconded by Jeff Fuell. Motion passed to deny appeal.

### **Streets & Drainage Committee Report: John Getzendanner**

No report.

### **Parks & Recreation Committee Report: Kathy Wirth**

As mentioned in my report last month, the Playground Task Force planning process included:

- Determining best locations for playgrounds
- Identifying advance site prep needs
- Choosing play equipment and safety surface
- Working within budget
- Determining installation timeframe and logistics

The slide presentation on Playgrounds, Phase 2, shows photos of suggested play equipment for three remaining playgrounds. **Pool recreation area** = play set + swing set on safety play surface; **Beach** = combination of stand-alone play events on sand, no swing set; **Paradise Lake** = small play set on safety play surface, no swings.

Also shown are photos of proposed playgrounds sites and current conditions. Some advanced site preparation is needed: Pool area – large grassy area in front of pool shelter; needs fill dirt and drainage swales; Beach – proposing approx. 40" high stone retaining wall, with drainage system, at base of hill to:

- Control erosion of hill; eliminate drainage onto beach
- Increase beach space approx. 18' (26%)
- Allow play equipment to be set farther back, saving beach space
- Eliminate currently exposed rocks and gravel
- Allow for expansion of shelter
- Neaten and beautify beach
- Help contain sand for play area
- Dirt removed from beach can be used as fill at pool area
- Capital improvement = asset on books
- Enhancement to major amenity, providing lasting benefit; investment in future

Total project includes:

- Pool area site prep - fill dirt, drainage system
- Pool area playground and accessible paths
- Beach site prep - retaining wall, drainage system,
- Beach playground
- Paradise Lake playground and accessible path
- Paradise Lake parking pad

We propose this project to complete the playgrounds in spring 2010 with funds already budgeted for playgrounds and other amenity improvements. Prices for both playground equipment and safety surfacing increased for 2010. This, coupled with the decision to make the pool area a larger community playground, made it difficult to work within the current budget. However, by eliminating two swing sets (at the beach and Paradise Lake) and adapting the beach playground to be able to use sand as the play surface, we have managed to stay within budget. The playground equipment order must be placed by March 19 to take advantage of sale prices and to fit the current installation timeframe of late May/early April.

Due to the inclement weather, we have not been able to get all the cost estimates yet for the site prep, but feel confident that they can be accomplished with currently budgeted funds. Additional funding will be required for shelters, shade structures at the beach, new picnic tables, etc.

**Motion to purchase equipment for playgrounds with funds already budgeted by Bill Blantz and seconded by Jeff Fuell. Motion passed unanimously.**

**Deer Task Force Report:**

No report.

**Architecture Committee Report: Bill Minnery**

Architectural Committee proposed the addition of the following to the General Architectural Rules section of the Handbook:

“Only lots formed by contiguation can be divided. The dividing, or de-contiguation, of any contiguated lots shall not result in any lot with less frontage or less square footage than the originally contiguated lots.”

Board asked to have legal opinion rendered regarding the wording and actual necessity of including the statement in the POA Handbook. The question was asked whether or not other wording in the Handbook or By-Laws accomplished the same thing. Architecture Committee Chairman will ask the Community Manager to seek the legal opinion, etc.

Architectural Committee proposed creating a new section (Section AB) to address Alternative Sources of Energy. Section U number 19, reference to exterior wood furnaces should be moved to this new section. The following should also be added to this section:

1. All wind generated sources of energy shall conform to Section 18 of the Dearborn County Zoning Ordinance and any other applicable HVL regulations.

One or more Board members indicated they have not read this particular section. Architecture Committee Chairman will e-mail the document to the Board.

### **Civic Club Committee Report: Robin Harrison**

March 13<sup>th</sup> Card Night

March 28<sup>th</sup> Egg Hunt

April 10<sup>th</sup> Card Night and Yard Sale

April 18<sup>th</sup> Dance for 7 – 12 yr. olds

April 24<sup>th</sup> Keep American Beautiful

May 22<sup>nd</sup> Family Camp Out

June 26<sup>th</sup> Luau for which I have sign up sheets for volunteers

Sammy Gutzwiller asked that they we not schedule anything for the weekend of the Bright Festival.

### **Lakes Committee Report: Dave Patterson**

Nate Long from Aquatic Control will attend the next Lakes Meeting March 10<sup>th</sup>.

**Request a motion stating that boats cannot be wider than Indiana State Towing Laws permit, which is now 8' 6" wide unless a special permit is issued by Indiana State. Motion by Bill Blantz and seconded by Jeff Fuell. Motion passed unanimously. First reading.**

Dredging – Bruce has received a detailed proposal for developing a plan to cover the entire dredging project. The cost for the plan alone was \$18,500.00. Since this is over \$5,000 we need to put it out for bids. Bruce has prepared a letter to send out to solicit bids for the development of the project plan. This is only the plan and has nothing to do directly with getting any dredging done or how much time, money, or material will be involved in the dredging process. This is just to develop the project plan.

Boating Class – Bill Cox presented his report on a proposed class covering boating safety and etiquette for HVL. Bill reviewed materials from several sources including state, coast guard, and other lakes. He chose to base the class on Power Squadron materials that he had received and reviewed. It will be about a five hour class involving class time and field time at the marina. We decided to keep it focused on specific boating safety and etiquette issues and not get into fishing etiquette or dock rules.

2010 Boat Registration Exam – We reviewed the test and discussed several questions and finally approved it for use as submitted.

Attendance – We agree that a member needed to be present to give input and learn about what was happening and changing with lakes rules etc. However, a specific rule to dismiss member was not felt to be in the best interest of the committee. Instead, when an individual reaches five absences during a year (The year runs from annual meeting to annual meeting.) then the chairman will discuss it with the individual. It needs to be personal and each case needs to be reviewed separately and on its own merits. Then the chairman will report to the committee.

Member change –Eric Rabenold submitted his resignation from the committee via an email to Dave. Dave read the email to the committee and noted that no action was necessary by neither the board nor the committee other than to accept the resignation, which the committee did, with regret. Eric has been a very active and contributing member of the committee for many, many years and his input will be missed.

Dave Ryberg had requested that he be considered for membership on the committee should a spot open up. Dave has met the attendance requirements.

**Request a motion placing Dave Ryberg on the Lakes Committee. Motion by Jeff Fuell and seconded by Bill Blantz. Motion passed unanimously.**

The sluice gate will not be closed on February 27<sup>th</sup> due to all the ice on the lake. It is too dangerous to docks and seawalls. The ceremony party will still take place at Willie's.

**Finance Committee Report: John Reiniger**

**Request tentative approval of the January, 2010 Financial Reports. The reports are preliminary pending completion of the year end audit rather than temporary. Motion by Donna Lask and seconded by Bill Blantz. Motion passed unanimously.**

Review of proposed ballot for the expenditure of tax refund: See (Attachment B). Motion by Donna Lask and seconded by Jeff Fuell to open for discussion.

Sammy Gutzwiller asked about our line of credit at UCB and the idea of spending money.

George Lortz, Lot 1882, is opposing the ballot. First of all it is unethical and biased, clearly indicating what you want the people to vote for. Bob Starks said the issue started with the Finance Committee which is where all financial issues should start. The Board then brought the ballot to an open meeting for discussion and where all actions would be reported to our residents. Bob Starks stated that to the best of my knowledge this is the correct process as documented in our Articles of Incorporation.

Scott Mitchell is in agreement with George Lortz and read a brief statement that as a Committee Chair he cannot agree without more planning. What is the rush – we need to step back. We should not be putting this in with the ballots for Board nominees.

Bob Starks said this is a recommendation from the Finance Committee to open it up for discussion.

Jeff Fuell questioned George Lortz about not liking option #1. George Lortz said we should remove the reference to the Finance Committee or let other Committees recommend other options.

Robin Harrison said she did not receive any emails regarding this ballot and feels the timing is inappropriate. Each committee should have a say in how the funds are used.

Steve Wirth said this was not on the agenda until yesterday. It needs to be put in the Echoes for all to read. Paying off the building does not increase the value of the homes. It should be discussed at the upcoming council meeting.

A lengthy discussion continued among all present and it was decided to postpone the motion and carry it under old business at the next meeting. Note that they were given the opportunity to

make changes that Scott Mitchell stated they could not do that tonight but needed until after April 29, 2010 to make recommendations.

**Safety, Security & Elections Committee Report: Larry Rohling**

**Recommend a motion to the POA Board: “That approval be given for five entrance signs and that the Community Manager be directed to place an order for the five signs with the Frontier Sign Company (the money for payment is already on deposit with them).”**

**Bruce gave a presentation for the locations and sizes of the signs.**

**Motion made by Donna Lask and seconded by Jeff Fuell. Motion passed unanimously.**

**Recommend a motion to the POA Board: “That letters of appreciation be sent to the neighboring law enforcement agencies that assisted our HVL deputies in the apprehension of the persons responsible for the burglaries in our community.” Motion made by Jeff Fuell and seconded by Bill Blantz. Motion passed unanimously.**

Recommend a motion to the POA Board: “That 1) the new definition of Qualified Candidate and the new wording of XI.D.2 be accepted and 2) that this set of Election rules be accepted for first reading. (See Attachment A.)” Motion made by Bill Blantz and seconded by Jeff Fuell to discuss. After brief discussion motion passed unanimously for a first reading.

**Political Action/Future Planning Committee Report: Scott Mitchell**

Candidates Night will be March 9<sup>th</sup> at 7:00pm. The candidates listed alphabetically are Bill Acra, Bill Blantz, Donna Lask, Jeff Meinecke, Bill Minnery, and Steve Wirth. You can submit questions at the office or go to the website. Coordinating Council meeting will be April 29<sup>th</sup> at 7:00 and we plan to have these meetings quarterly.

**Old Business:**

**New Business:**

**Motion to adjourn by Jeff Fuell and seconded by Donna Lask. Motion passed unanimously.**

**Adjournment: 10:04pm**

**Minutes Prepared by Gloria Weber**

## Attachment A

### XI. Elections Rules

**The HVL POA Safety, Security and Elections Committee and the HVL POA Board of Directors have approved the following Elections Rules within Hidden Valley Lake. These rules shall remain in force until changed or amended upon recommendation by the HVL POA Safety, Security and Elections Committee and approved by the HVL Board of Directors.**

#### **A. Definitions of Terms**

For the following HVL POA Elections Rules, unless the context otherwise indicates when used in conjunction with the term, the definitions of the following terms apply:

- ◆ **Ballot deadline date** – A date specified by the HVL POA Board of Directors as the deadline for receiving all ballots in an annual, special or referendum election.
- ◆ **Counting Team** – HVL residents reporting to the Elections Sub-committee for the purpose of tallying HVL POA votes according to the most current Vote Tally Procedure.
- ◆ **Date of election** – The HVL POA Annual meeting in the case of Annual HVL POA Board of Directors' elections or the specified ballot deadline date for special or referendum elections.
- ◆ **Elections Sub-committee** – A group of HVL residents appointed by the Safety, Security and Elections Committee for the purpose of administering all HVL POA elections made up of a Chairperson and Vice chairperson and the Counting Team.
- ◆ **Incumbent HVL POA Board members** – Those Board members who are currently seated and are not running for the office in the current election.
- ◆ **List of Eligible Voters** – A complete list of all HVL POA members entitled to vote in any election, arranged in alphabetical order, with the address of each member.
- ◆ **Member voting rights** – The first party listed on an HVL property deed is given the right to vote in all HVL POA elections.
- ◆ **Open HVL POA Board Positions** – Those positions on the Board that are being filled by the current election.
- ◆ **Qualified candidate** – Any current POA member who meets the following criteria:
  - Is an HVL POA member in good standing.
  - Is not currently an employee of the HVL POA.
  - Is not currently a vendor of the HVL POA unless the selection of that vendor is the only choice available to the HVL POA.
  - Is not currently a contractor engaged by the HVL POA unless the selection of that contractor is the only choice available to the HVL POA.
  - Is a qualified resident of HVL.
- ◆ **Qualified resident** – Any current HVL resident with no outstanding dues, fees or fine payments.

- ◆ **Special or referendum election** – An election conducted by the HVL POA Board of Directors from time to time to help conduct the business of the POA.
- ◆ **Vote Tally Procedure** – A documented process for counting ballots developed and maintained by the HVL POA Safety, Security and Elections Committee.

#### **B. HVL POA Membership and Voting Rights Rules**

- 1) Each member in good standing of the HVL POA shall have voting rights in HVL POA Board of Directors' elections, recounts, recalls, and special or referendum elections.

#### **C. HVL POA Safety, Security and Elections Committee Rules**

- 1) The HVL POA Safety, Security and Elections Committee shall choose from its membership a Chairperson and Vice-chairperson of the Elections Sub-committee.
- 2) The Chairperson and/or the Vice-Chairperson of the Elections Sub-committee shall be in charge of all elections, recounts, recalls, and special or referendum elections.
- 3) The Elections Sub-committee shall appoint the Counting Team.

#### **D. HVL POA Board of Directors' Elections Rules**

- 1) **The HVL POA shall conduct elections in each calendar year for the purpose of electing members of the HVL POA Board of Directors.**
- 2) To be a member of the HVL POA Board, a person must be a qualified candidate.
- 3) The annual elections shall be conducted such that two and three members of HVL POA Board of Directors shall be elected on alternate years. The term for an HVL POA Board of Directors' member is two years.
- 4) Recall elections may be conducted in the event special conditions exist.
- 5) Election recounts may be conducted in the event of the filing of an election protest with the HVL POA Board of Directors.
- 6) If at any time and for whatever reason the HVL POA Board shall not have enough members between elections to fill all available positions, the incumbent HVL POA Board members may fill the open position(s) by appointment. The rule for eligibility by appointment (XI.E.13) shall apply. To qualify for appointment to the HVL POA Board, a person must submit an application to the Board in writing that indicates his or her desire to be a Board member and a list of his or her eligibility, qualifications and credentials.

#### **E. HVL POA Board of Directors' Election Procedures**

- 1) A copy of the nomination form for the HVL POA Board of Directors elections and the notice of registration deadline shall be published in two consecutive issues of *The Echoes* prior to the registration deadline.

- 2) Nominations shall be closed and forms received in the HVL POA Office by mid-February. The POA Office will establish that day and time near February 15th. In order to be valid, a current photo and resume of the nominee must accompany the nomination form. The above three items shall be submitted to the HVL POA Office by the candidate in person and not by an agent or representative of the candidate.
- 3) After the nominations are closed, candidate nominations shall be validated at the HVL POA Office to assure that each candidate is qualified to run for election.
- 4) A ballot, ballot return envelope, and candidate resumes shall be mailed to all HVL POA members. All ballots in their signed and sealed ballot return envelope shall be returned by mail or in person to the HVL POA Office by the date of election.
- 5) All ballots returned after the date of election or not returned in a signed and sealed ballot return envelope shall be considered invalid.
- 6) All signed and sealed ballot return envelopes shall be checked against the List of Eligible Voters by POA office personnel. They shall also check for the correct signature (first on the deed) and place them in the locked ballot box. The key to the ballot box shall be kept by the Chairperson of the Elections Committee who shall open the box in the presence of the Counting Team on the date of election.
- 7) On the date of election, the Elections Sub-committee shall open the envelopes and tally the votes according to the most current Vote Tally Procedure.
- 8) Ballots in signed and sealed ballot return envelopes shall be received until twenty (20) minutes after the last candidate's speech during the HVL POA Annual Meeting (date of election). Any ballots received during the HVL POA Annual Meeting shall be validated by the POA Office staff and delivered to the Elections Sub-committee Chairperson to be tallied and added to other ballot totals.
- 9) On completion of the voting tally, the vote summary shall be given directly to the person presiding over the HVL POA Annual Meeting in a sealed envelope. The results shall be read at the HVL POA Annual Meeting. No results shall be announced by the any member of the Elections Sub-committee prior to this time.
- 10) After the HVL POA Annual Meeting, all ballots with their ballot return envelopes shall be kept in the locked ballot box in the HVL POA office for a period of at least three months.
- 11) At the HVL POA Annual Meeting, the open HVL POA Board positions shall be awarded to the persons receiving the highest number of votes in descending sequence until all the open positions are filled. Should there be a tie in the voting for the last open position; the tie shall be broken by a coin toss conducted by the Chairperson of the Elections Sub-committee with no less than three witnesses present. If the Chairperson of the Elections Sub-committee is not available for the coin toss, another member of the Counting Team may be designated by the incumbent HVL POA Board members to conduct the coin toss.
- 12) If at the end of the nomination period, there is exactly the same number of candidates running in the current election to fill all the open HVL POA Board positions, then an

election shall not be required and the candidates running shall fill the open HVL POA Board positions.

- 13) If at the end of the nomination period, there are less than enough candidates running in the current election to fill all the open HVL POA Board positions, then an election shall not be required, the candidates running shall fill open HVL POA Board positions and the sitting HVL POA Board members may fill the open position(s) with the appointment of a qualified candidate(s).. To qualify for appointment to the HVL POA Board, a person must submit an application to the Board in writing that indicates his or her desire to be a Board member and a list of his or her eligibility, qualifications and credentials.

#### **F. Special or Referendum Election Procedures**

- 1) A ballot and ballot return envelope shall be mailed to all HVL POA members. All ballots in their signed and sealed ballot return envelopes shall be returned by mail or in person to the HVL POA office by the ballot deadline date (date of election).
- 2) Any ballot returned after the date of election or not returned in a signed and sealed ballot return envelope shall be considered invalid.
- 3) All signed and sealed return envelopes shall be checked against the List of Eligible Voters by POA office personnel. They shall also check for the correct signature (first on the deed) and place them in the locked ballot box. The key to the ballot box shall be kept by the Chairperson of the Elections Committee who shall open the box in the presence of the Counting Team on the date of election.
- 4) On the date of election, the Elections Sub-committee shall, in a closed meeting, open all signed and sealed ballot return envelopes and tally the votes according to the most current Vote Tally Procedure.
- 5) Upon completion of the voting tally, the final totals shall be presented directly to the President of the HVL POA Board in a sealed envelope. No results shall be announced by any member of the Elections Sub-committee prior to this time.
- 6) After the voting results have been presented, all ballots with their ballot return envelopes shall be kept in the locked ballot box in the HVL POA Office for a period of at least three months.

#### **G. Election Results Protest Procedures**

- 1) Any HVL POA member in good standing wishing to protest the results of an HVL election may do so by submitting his/her protest in writing to the HVL POA Board of Directors within thirty (30) days after the announcement of the election results.
- 2) A letter written to protest election results must include the name, address, and lot number of the HVL POA member making the protest and the reason for the protest.
- 3) The previously constituted HVL POA Board of Directors shall determine by vote if the protest submitted is valid. A simple majority shall determine the validity of the protest.

## **Attachment B**

### **Real Estate Tax Refund Ballot**

Recently, the POA Board of Directors engaged an attorney to contest the taxation of POA properties. As a result we have received a refund exceeding \$500,000. The exact amount is being finalized with our attorneys. Members of the current POA Board also created a rule that requires your vote before applying funds that equals 15% or more of our annual budget. We therefore request your vote. The mortgage on our Community Building consumes \$81,060 per year. If the mortgage were paid off, this money could be used each year for operating expenses and projects. Paying off the loan would save the POA \$142,000 in interest expense.

#### **Please select one of the following options.**

##### **Option 1:**

The Finance Committee unanimously recommends that we use the refund to pay off the mortgage on the community center which has a balance of \$510,087.

If you approve of using the Real Estate Tax Refund to pay off the mortgage, please check this box.

##### **Option 2:**

If you prefer to place \$250,000 in escrow for Dredging of lakes and apply remaining balance of funds to the mortgage, please check this box.

##### **Option 3:**

If you prefer to Pay 50% on the mortgage and add 50% of the funds to the general operating fund with no special use designated at this time but to be used for operating expenses, projects and amenities as budgeted in the future, please check this box.

##### **Option 4:**

If you prefer to add 100% of the funds to the general operating fund with no special use designated at this time but to be used for operating expenses, projects and amenities as budgeted in the future, please check this box.