

Forbes LOA

Meeting Minutes - Monday, March 7th, 2011

In Attendance: Bill and Robin Drefs, John Hafele, Leslie Newell, Al Julius, Jacob Gant, Rich Meister, Doug Schmidt, Jim Pratt, and Darrin Bishop. Several land owners attended the luncheon only.

Land Owners Forum: no items for discussion.

Meeting called to order @ 9:30; Directors in attendance were Beth Gant, Jack Spicer, Don Lake, Rusty Moberly and Bill Drefs for Virginia Betts; quorum established.

Beth acknowledged that this was Don Lake's last meeting since he is becoming a part-time resident of Forbes - winters only! She thanked him for his efforts on behalf of the LOA and the time he donated. Beth introduced Doug Schmidt who was in attendance and will be taking Don's place until the October election. Beth also invited everyone to the luncheon after the meeting. Office staff also thank Don for not only his contributions to many projects, but also his pleasant demeanor; a joy to work with!

1 ECC Approvals

Requirement for engineered septics on new construction for our lake front lots; office will review report submitted by Bill Drefs from Benton County and draft a concise statement for inclusion in the Project Approval Handbook which will be e-mailed to the ECC for review and then on to the Board of Directors for approval. This draft will also include verbiage on recommending a soil survey in lieu of percolation test for all other lots. The ECC will research regulations on existing interior lake front homes, their grandfathered status and the LOA ability enforce regulations. This item will be tabled until April 4th meeting.

2 Financial Reports

A. Budget vs. Actual Year to Date Analysis: attached.

B. Source and Use of Funds Report: attached. Emergency funds on the next report will reflect the \$10,500 for snow removal that the board voted to allocate to this fund instead of fiscal year budget.

C. Office will review contract with Dean Yoder & Sons for clause referencing fuel costs.

3 Committee Reports

A. **Ray Knox, Security:** Ray, again, requested that land owners limit travel on roads - especially our grass roads - until the spring rains have ended. There are just a few land owners who continue to cause damage just to look for sheds. This damage is not being caused by non-Forbes people, but our own land owners. Chuck is in the process of posting about 35 signs advising against travel on our grass roads in effort to discourage unnecessary travel.

B. **Chuck Willison, Park Superintendent:** roads are in pretty good shape considering the amount of snow we had. We will be raking as much of the gravel plowed to the sides of the roads back onto the roads to save gravel costs incurred during spring grading. This project won't be started until we are sure we won't have to plow snow again. Many culverts are blocked with debris from the creeks swollen with melted snow; work will continue to clean these out. Portable toilets have been placed at all three (3) lakes and at east end boat ramp (Turtle Pond).

Gates: Installation of gates on Kip, Astrid and Moira is 99% complete and gates are operational. Wings will be installed on each side of these gates to prohibit driving around the gate. There have been questions about the width of the gates (12'3"); a standard pickup truck is 8' wide including side mirrors and a semi-truck is 10' wide which still leaves 1' clearance on each side. If wider equipment needs access, the non-hinged side post can be unbolted from the concrete pedestal and removed temporarily. Moira gate is a solar gate as a test case to see if future gates in areas where there is a lower volume of traffic will be adequate in an effort to reduce recurring, monthly electrical costs. Repair costs from lightening damage have been high, but surge protectors have been installed by the electric company to minimize risk of this type of damage in the future.

It was suggested that the custom gates be painted blue, but pipe gates remain white with red and silver reflective tape and our logo to increase visibility. Chuck will meet with some of the land owners to show them how to remove the pin to open the gate in case the gate is not operational for some reason. Notification was sent out to affected property owners and posted on our website, but there was a land owner who was unaware of the new gate and unable to enter over the weekend. The office will contact all affected land owners again and post notice on our website. Procedures will be established for future gates to ensure that this kind of problem does not happen again. We apologize for any inconvenience.

Vertical cutback: delayed about three (3) weeks because of weather, but is now underway.

- 4 **Contracts to be renewed:** ad for common area mowing contract ran on March 3rd and will run again on March 10th in the Benton County Enterprise; no response as of this date.

5 **Office Report**

- A **Receivables Report** (attached): Receivables of \$64,395 as of 2/28/11 compared to \$95,989 as of 2/28/2010; decrease of over \$31,000. Receivables as of 2/28/2007 were \$126,847; decrease in 4 years of over \$65,000. We will be writing off another \$10,000 for the January foreclosures. Expected receivables balance as the end of March should be under \$50,000. Receivables have never been this low. It's also important to note that all accounts older than 2 years are either in foreclosure or satisfactory payment arrangements have been made. Accounts that are greater than 4 years are down to \$2,700 and those that are 3 years are \$2,700. Office staff will be concentrating on the 40 accounts that have not paid for 2 years and the 118 that owe for 1 year.
- B **Strategic Planning:** George Fowler started this process in 2009. The office has used his report as well as documents provided by our cpa to outline the process required to comply with audit requirements specifying a need for a reserve study. Items with a remaining life expectancy of over 30 years or under \$1,500 will be excluded. We will begin by doing a physical inventory of all assets using the depreciation schedule and insurance declaration as a starting point. The Board of Directors will need to provide the data on future planned improvements to complete this study. We will post a list of items under consideration on our website so land owners can submit their opinions and contribute ideas. Culvert replacement was discussed; Chuck is going to try pouring concrete or an epoxy in the bottom of culverts that are rusted through instead of tearing out the entire culvert and causing road damage. We may be able to budget \$20,000 per year for culvert work instead of reserving funds to replace culverts. The acid from oak trees and water sitting in the bottom of the culverts is what rusts out the bottom. Cleaning catch basins on both inlet and outlet sides help greatly by decreasing sitting water. Some 48" tubes need to be replaced.
- C **Tennis Court Resurfacing:** will continue to research reasonable options and other options will be discussed by the Board in conjunction with strategic planning.
- D **Sponsorship idea:** Board felt that researching this option was a good idea especially as it relates to strategic planning. Beth suggested that Directors set up a meeting to discuss sponsorship pros and cons and reserve study.
- E **Forbes Event Calendar**
- Garage Sale:** set for April 8th and 9th from 9:00am to 2:00pm. This has been added to our Forbes Event Calendar which can be accessed from our website. We are charging \$10 for each of the ten (12) booths inside our shop building to cover cost of advertising the sale. An unlimited amount of booths can be set up outside for \$5.00 charge. Anyone can sign up for booth - not restricted to Forbes owners; booth reservations will be handled on a first come, first serve basis. If we do not have at least 5 people sign up, sale will be canceled. Office will prepare flyer to be posted at churches, etc. We will have each participant sign a form agreeing to remove all items after the sale or we will charge \$50 or a refundable deposit of \$50.

Disaster Preparedness for Families: March 14th @ 4:30.

Low Impact Landscaping: March 31st @ 7:00pm.

Summer Picnic: 5/21/11

1st Annual Forbes Fishing Tournament: 6/25/11; rain date of 6/26. Guidelines developed by Jack Spicer who invited everyone to review and make suggestions on how to improve them. Office will contact the owners of lots around Bob Lake to request permission to fish from their property. Parking area will have to be clearly marked and a map distributed. Details will be published.

Grief Recovery: 5/17/11 @ 7:00 by George Fowler

- F **RV Park Usage Policy:** Motion made by Jack, seconded by Don to approved but requested that we require the deposit at least 30 days in advance; approved. Office will make this change, prepare a Resolution and publish this policy on our website and post at the RV Park.
- G **High Water Evacuation Plan;** sign displayed. Office will print with map on reverse to be placed in boxes at the pavilion and each slip. Office will continue to pursue the development of an Emergency Phone Tree warning system for Forbes.

- H **Auction Policy:** draft of policy was approved with the addition of adding a clause stating that a security deposit may be required to be determined on a case by case basis. Office will prepare Resolution for board signature. Jack made a motion that policy be approved; seconded by Bill; all in favor.
- I **Electric Lines** on Forbes map are being removed. Board has determined that it should be up to Southwest Electric to assist land owners with questions on electric.
- J **Interactive** forms on website: Kay working on forms; maintenance request, formal complaint, fishing reports, contract bid forms, RV Park reservation requests, etc.
- K **April newsletter:** office will pursue the idea of recouping some of the cost of printing and mailing by selling ads for the back page.

Old Business

- 1 **Scholarship:** Directors voted to contribute to the Edwards Community scholarship instead of establishing our own; we would be recognized publicly for our contribution. We will request pictures to post in our office. Other individual or company contributions are welcomed.
- 2 **Portable toilets:** have been placed at each lake.
- 3 **Office generator:** electrician confirmed that we need a 16w. Jack obtained a price from Lowe's of \$3,240, plus tax and installation. We are waiting to hear what the installation cost will be. Location outside our side door was suggested by Chuck because it's highly visible and next to our breaker box. Some in attendance thought it would be better to locate it by our propane tank. Directors felt that it would cost around \$200 more to locate it on the only side of the building by tank. We will add it to our insurance schedule. Directors asked that Chuck contact the electrician to find out what it would cost to locate it by propane tank instead of by door. Motion made by Jack to go ahead and order the generator and get it installed up to a total cost of \$5,000; seconded by Don; all in favor.
- 4 **Billboard at 7 & M;** has already been rented.
- 5 **Signs @ lakes;** we have obtained 911 addresses and signs will be ordered.
- 6 **Marking lots in foreclosure:** about 1/2 have been done.
- 7 **Salt Spreader:** Saltdog \$1,465 from Key Hydraulics as previously discussed. Directors voted to proceed with purchase as soon as possible since installation is only \$65 and the price may go up considerably by October 1. Motion made by Don; seconded by Jack; all in favor.

New Business: none.

Land Owners Forum: no items discussed.

Meeting adjourned at 11:30.

BUDGET MONTH 5 = 41.6%: % balance should be 58.4%

	OCT-FEB	FISCAL YEAR BUDGET	BUDGET BALANCE	% OF BUDGET BALANCE	PROJECTED		
					7 MTH BUD	YEAR END	VAR
4000 · Income	424,990	445,000	20,010	4.5%			
Expense							
5010 · Meeting Expenses	1,678	2,000	322	16.1%	230	1,908	92
5015 · Bad Debts Expense	1,784	2,500	716	28.6%	-	1,784	716
5020 · Collection Expense	2,464		(2,464)		925	3,389	(3,389) *
5030 · Contributions	-		-		250	250	(250)
5045 · Dues and Subscriptions	307	200	(107)	-53.5%	-	307	(107)
5050 · Equipment Maintenance	1,631	1,000	(631)	-63.1%	-	1,631	(631)
1 5055 · Equipment Purchase	646	1,000	354	35.4%	6,000	6,646	(5,646) *
5060 · Fuel	1,596	2,500	904	36.2%	1,750	3,346	(846)
5070 · Insurance	4,871	12,000	7,129	59.4%	7,630	12,501	(501)
5100 · Miscellaneous Expense	1,941	1,200	(741)	-61.8%	700	2,641	(1,441)
2 5200 · Mowing	12,240	35,500	23,260	65.5%	23,260	35,500	-
5230 · Office	5,072	4,500	(572)	-12.7%	1,400	6,472	(1,972)
5240 · Postage	553	2,500	1,947	77.9%	1,320	1,873	627
5250 · Printing	823	1,750	927	53.0%	2,050	2,873	(1,123)
5255 · Professional Fees	29,796	3,000	(26,796)	-893.2%	(31,000)	(1,204)	4,204
3 5260 · R & M - Roads	48,681	132,500	83,819	63.3%	79,750	128,431	4,069
5300 · R & M COMMON AREA	1,648	20,000	18,352	91.8%	11,500	13,148	6,852
5310 · Security	21,391	48,500	27,109	55.9%	26,811	48,202	298
5320 · Shop Supplies	503	1,500	997	66.5%	700	1,203	297
5400 · Taxes	309	350	41	11.8%	236	545	(195)
5450 · Telephone	998	2,500	1,502	60.1%	1,400	2,398	102
5470 · Utilities	3,912	7,500	3,588	47.8%	4,400	8,312	(812)
6560 · Payroll Expenses	50,144	135,000	84,856	62.9%	85,200	135,344	(344)
Total Expense	192,988	417,500	224,512	53.8%	224,512	417,500	-
SNOW REMOVAL (EMERGENCY FUNDS)	10,500		417,500	7.1%			
Actual Expenses (for P & L)	203,488		417,500				

LOA Source and Use of Funds

Bank Balance under E are from Balance Sheet

	AS OF	AS OF	AS OF	AS OF	AS OF	AS OF
1 FUNDS AVAILABLE (Cash Flow Summary)	31-Oct-2010	30-Nov-2010	31-Dec-2010	31-Jan-2011	28-Feb-2011	28-Feb-2010
2 Petty Cash	100	100	100	100	100	
3 1st Community Bank Accts: Money Market	142,335	216,709	184,348	177,269	159,486	
4 Operating Acct	24,172	8,826	22,838	17,441	15,888	
5 Debit Acct	1,785	1,407	1,402	2,148	2,053	
6 Bank Accounts Subtotal	168,291	226,942	208,588	196,858	177,426	
7 Cdars (36 mth @ 2%) Nov 2013	225,000	150,000	150,000	150,000	150,000	
8 Total Funds Available	393,391	377,042	358,688	346,958	327,526	378,520
9 ACCOUNTS PAYABLE	(5,354)	(12,820)	(7,357)	(7,338)	(864)	(11,986)
10 FUNDS AVAILABLE after subtracting payables	\$ 388,036	\$ 364,222	351,331	339,620	326,662	366,534
11 Emergency Fund	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	
12 Operating Funds (cash available for budget items)	238,036	214,222	201,331	189,620	176,662	
13						
14 Dues Paid (deposits made)	\$ 116,704	\$ 25,096	34,136	19,474	8,194	8,953
15						
16 ACCOUNTS RECEIVABLE (Dues owed to LOA)						
17 Current Fiscal Year Dues	127,108	106,187	82,336	69,221	54,529	
18 Prior Year Dues	43,688	43,971	35,778	31,408	21,143	
19 Subtotal	170,796	150,158	118,114	100,629	75,672	
20 Paid In Advance	(10,609)	(10,579)	(10,781)	(11,194)	(11,276)	
21 Total	\$ 160,187	\$ 139,579	107,304	89,435	64,396	95,989
22						
23 TOTAL POTENTIAL FUNDS AVAILABLE (from row 10)	\$ 388,036	\$ 364,222	351,331	339,620	326,662	
24 TOTAL RECEIVABLES	\$ 160,187	\$ 139,579	107,304	89,435	64,396	
25 TOTAL POTENTIAL CASH FLOW	548,223	503,801	458,634	429,055	391,058	
26 BUDGET BALANCE						
27 Total Approved Budget for Fiscal Year				417,500	417,500	
28 Total Budget for fiscal year minus YTD expenses				257,479	224,512	
29						
30 <u>Potential Excess: Total potential cash flow minus budget</u>				171,576	166,546	
31 Subtract Emergency Funds				21,576	16,546	
32 Subtract Accounts Receivable (if all remain unpaid)				(89,435)	(64,396)	
33 Adjusted Cash Balance				(67,859)	(47,850)	
37						
38 EXPENSE SUMMARY						
39 Fixed Expenses (in general)	13,633	13,866	15,118	10,238	27,029	
40 Wages	10,197	9,613	10,251	10,228	9,856	
41 Maintenance	8,657	27,945	19,017	10,612	6,842	
42 Equipment Purchase	646	-	-	-	-	
	33,133	51,424	44,386	31,078	43,727	