

PUBLIC MEETING
JANUARY 27, 2003
7:30

Pursuant to the rules of the Board of Directors, a regular meeting of the Board of Directors of Lakes of the Four Seasons Property Association, Inc. was called to order at the Lakes of the Four Seasons Club building in Lake County, Indiana on Monday, January 27, 2003.

Present at the meeting were President Batton, Directors Rogers, Kiest, and Swallers. Also present at the meeting were Community Manager Robert A. Campbell, and Attorney Fitzgerald.

Following the call to order by President Batton, and the Pledge of Allegiance to the Flag, President Batton asked Attorney Fitzgerald to read the list of applicants for membership, and Director Rogers made a motion that members be approved as read. Following a second by Director Swallers, the following resolution was unanimously adopted, 4-0-1.

“ Be it resolved that the following named owners of property in Lakes of the Four Seasons subdivision be approved for regular membership in the Association:

Scott & Tammy Moran	Lot	P-19 & P-20
Carol Henderson	Lot	P-96
Joe Mastey	Lot	P-124
Mary A. Cavallini	Lot	P-1187

“Be it further resolved, that the Secretary notify the applicants of their approval for membership.”

Next, President Batton asked if there was any old business from the Board or residents, there was none. President Batton then asked if there was any new business from the Board. President Batton stated that he wanted to remind everyone that there was a cell tower meeting with the County Council is February 12, 2003 at 2:00 p.m. He asked people to call Mr. Blanchard and show support for the cell tower at 755-3280. Resident Miller questioned if Tmoblie would be our only carrier? President Batton stated that this is who is interested in providing cell service to us at this time.

Resident Falls stated that on February 10th Aurelio's would be donating 20% of their profits to the fundraising committee.

Next President Batton stated it was time to present the 2003/2004 Budget. He stated that following the presentation the Board would be voting on the budget. President Batton stated that as the Board held its first budget meeting, they had to keep in mind what was a reasonable increase in dues and amenity fees. With this in mind the Board established their budget. They also wanted the level of service to stay the same, and this is also what the community has come

to expect. Secondly, capitol improvements and equipment purchases are necessary parts of the budget, and lastly, only through continued fiscal responsibility can the POA ever hope to accomplish the task of moving LOFS forward while continuing the reduction of our debt at the same time. With that the Board and Community Manager, Bob Campbell gave a power point presentation of the 03/04 Budget.

When the Presentation was over President Batton asked the residents for their questions. Resident Jorganson questioned the purchase of a new squad car. She felt the POA should buy used cars with miles on them for \$5000.00. President Batton stated that the car we are replacing is just that type, and we have put in more money into that car than if we had purchased it brand new. Manager Campbell stated that this squad car is a Chevrolet Impala, and this years price is even cheaper than last years. It has a police package on it as well. Manager Campbell stated that the POA's plan is to rotate these cars out on a ten year plan. Now that we now have three newer vehicles this can be implemented. Resident Zackiewicz stated that the car price is small compared to the entire security budget of 650,000.00. He questioned how many patrol officers we used on each shift. Manager Campbell stated that there was one on the day shift, two on the afternoon shift, and two on the midnight shift. Resident Juram stated that she was very pleased with security and liked the fact that they checked on her home when she was away from it. Resident Jorgensen stated that it was not just the squad car, she could not believe we were paying \$6000.00 for computers. President Batton stated that these figures are what is budgeted—it does not mean that we will pay that amount for two computers, and any funds that are not used for these items go back into the general fund. Resident Jorgensen also questioned the F& B department. He stated that he has heard there is a lot of embezzling going on in the restaurant. President Batton stated that the Board has decided to hire a F&B Manager from a head hunter group and hopefully have some fabulous response with this new avenue they are taking. Manager Campbell stated that the Country Club has never made a profit. This year the depreciation has been taken out of the F& B budget. Manager Campbell stated that if every property owner just spent \$21.00 a year in the restaurant, it would break even. Resident Slafkosky stated that she was concerned; she used to be a head hunter and wondered what the terms of our contract were with the head hunter. Manager Campbell stated that it was 20% of the Salary, and a 6 -month cushion in case the manager did not work out. Resident Slafkosky stated that we could have saved a lot of money by putting an ad on the internet. Manager Campbell stated the firm is very reputable, professional, does a lot of pre-screening, and eliminates what they see as not fit before they give us the “cream of the crop”. President Batton stated that yes this is expensive, however we hope to have great results from this type of aggressive hiring.

Resident Carroll asked if the Board could explain the side gate's directional enforcer. President Batton explained that as long as you go out the gate the gate is tire friendly, however if you try to go in the gate the wrong way the directional enforcer will puncture all tires.

Resident Carroll also questioned the golf pro salary at \$148,000.00. Manager Campbell stated that Matthew only wished that his salary were that high! In reality that is the entire Department's

salary. He questioned how many were on his staff? Manager Campbell stated that he could count twelve off the top of his head.

Resident Slafkosky asked what percentage of the health insurance the employees paid, and how many employees were on the health insurance? Manager Campbell stated that in August the amount would be increase to 15% and there were 36 employees taking the health insurance.

Resident Malone questioned if the worker's comp was so high due to high claims of our employees? Manager Campbell stated that there was a natural increase along with the fact that we were put into the Indiana Risk Pool when C.N.A. dropped us. Also Manager Campbell stated that all employees are classified as Country Club employees. He stated that clerical should not be included in such a high classification.

Resident Zackiewicz stated that the Board should consider asking for volunteers with their area of expertise.

Attorney Fitzgerald stated that his office had sent out nineteen letters to residents that had dues in excess of two years. Attorney Fitzgerald stated that he plans to foreclose on these properties if there is no response.

Resident Malone asked how many of our residents are delinquent? Manager Campbell stated that about 2% were delinquent.

Resident Angelos stated that with a loss of \$100,000.00 in the restaurant we should think of leasing the restaurant out. Manager Campbell stated that we can not do that because we would loose our liquor license. Resident Facemyer stated that with a \$100,000.00 loss somebody is not doing their job at all. The budget for 2003/04 states that we will only loose \$21,000.00 in the restaurant operation—how will we recoup that? President Batton stated that this is why we are going through the head hunter in hopes of hiring a fabulous F&B director. Resident Slafkosky stated that the hours of operation in the club are weak. Director Swallers stated that the hours were reduced to try and cut expenses. He stated that the summer concerts will still be happening this year however, the expense of them will be put through General and Administration.

Resident Belicke questioned how many office people there were. Manager Campbell stated that there were three full time and three part-time. Resident Jorgensen stated that the core of our employees should be part-time so that we do not have to pay benefits on them. Manager Campbell stated that the core IS part-time with that number inflating to as high as 140 in the summer months.

Resident Jorgensen questioned about the half payment plan and why the increase in fee? Manager Campbell stated that what happens with the half payment people is that a large portion of them do not pay the second half in October. Manager Campbell stated that there would be a \$50.00 late payment fee.

Resident Slafkosky stated that two years ago the Board and Community Manager asked for people to volunteer for jobs, and a dues increase of \$200.00 was imposed. This board keeps finding ways to spend that additional increase. Resident Slafkosky stated that this board is losing focus and we need to market our property. President Batton stated that up until two years ago not much money was spent on our lakes, which is our biggest amenity that we have. The volunteerism did not work out well, and this Board is trying to do things to increase our property values. Director Swallers disagreed with the statement that our property values are decreasing; he stated quite the contrary.

Resident Joram stated that we should be trying to get OUR own people to patronize the restaurant. People moved into this community knowing there was a Country Club, and should have realized that income needed to be generated for it to survive, resident Joram stated.

Resident Facemyer asked if the dues could be changed to 999.00 just as a marketing tool. He stated that 999.00 sounded better than 1030.00. He also asked how the road bids went out each year? Manager Campbell stated that at least five bids needed to be received, and that they were sealed bids. A time and place is set for the opening of the bids, and then the lowest bid is handed out.

Resident Carroll asked if there was a year in which the assessment would not go up? President Batton stated it would be up to future Boards.

With no further comments from the residents, President Batton asked for a motion to adopt the 2003/04 budget. Director Kiest made the motion, seconded by Director Rogers and the vote carried 4-1-0. (Batton yes, Rogers yes, Kiest yes, Exo yes by proxy, and Swallers no)

Resident Hart made a comment that since only eleven lot owners we present protesting the budget, then the other 2500 must be happy.

With no further business to come before the Board a motion was made by Director Swallers, seconded by Director Rogers, and carried 4-0-1 to adjourn the meeting.