

Public Meeting  
December 9, 2002  
7:30 PM

Pursuant to the rules of the Board of Directors, a regular meeting of the Board of Directors of Lakes of the Four Seasons Property Owners Association, Inc. was called to order at the Lakes of the Four Seasons Club building in Lake County, Indiana on Monday, December 9, 2002.

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

Following the call to order by President Batton, and the Pledge of Allegiance to the Flag, Director Rogers made a motion to approve the minutes of the November 25, 2002 meeting, followed by a second from Director Exo, the motion carried 5-0-0.

Next, President Batton asked for Attorney Less to read the list of applicants for membership and Director Swallers made a motion that members be approved as read. Following a second by Director Kiest, the following resolution was unanimously adopted, 5-0-0.

“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:

Marc & Lisa Arena	Lot	L-615
Tim & Raina Forster	Lot	L-992
George & Janice Clark	Lot	P-153
Gordana Goreseski	Lot	P-937
Esther Wisner	Lot	P-1007

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

Next order of business was the presentation of the Preliminary Budget. Each Board Member (except Director Exo), and Community Manager Bob Campbell had a part of the budget to present to the Community. Some of the highlights were, a 35% increase in the cost of liability insurance, 25% increase in workers comp., and a forecast of 11% increase in the health insurance in August. Property Tax insurance will increase at rates of 3% for Lake County and 5% for Porter County. The recycle grant fund will be a decrease of \$20,000.00 as the state of Indiana is in a budget crunch. This Board of Directors, for the first time, has put aside funds for a reserve to get us through the end of the fiscal year without borrowing from the credit line. There needs to be a reserve of \$200,000.00 cash for a one month cushion, and for the initial year the amount will be \$100,000.00 set aside for this goal. Another highlight will be the golf membership drive under the direction of our Golf Pro, Matthew Meneghetti. This plan will increase the golf revenue. The POA will start a marketing plan spending \$10,250 on advertising and \$16,000 on gift certificate promotions. The POA will spend \$5000 on a road evaluation, and an increase of \$50,000 above the \$100,000 already spent on road paving for the New Year. Director Rogers talked about the new items and capitol improvements scheduled for next years budget. Some of

these items included two new computers for the office, printer, mower, generator, water monitor, aeration fountain for Trout Haven, new squad car, pool stairs, pool furniture, cameras for the gates, and some miscellaneous equipment. Capitol improvements include new bulletin boards, 117<sup>th</sup> street signage, storage area, drainage project, road paving, mud room entrance, watershed, #9 planting, directional enforcer, cart path paving, and sand trap drainage.

Resident Bob Malkowski asked what the mudroom was for? Manager Campbell stated that this would be an addition to the back of the kitchen, so the outside door would not go directly into the kitchen.

Director Swallers talked about the Food and Beverage Budget. He stated that historically the restaurant has lost monies, and this year the Board was going to address that, and have the restaurant run at a loss and not have to scramble at the end of the year and rearrange the budget. Director Swallers stated that we would promote the concerts, put together an advertising campaign, and put together some revenue goals. Resident Malkowski questioned how the Board felt they would cut the loss in half? President Batton stated that the Board is hopeful with an aggressive marketing plan the restaurant can begin to turn around. Resident Mason commented on the labor still being too high at 55%. Manager Campbell stated that historically the cost of sales have been around 42.5%. He stated that everyone has lots of ideas, but nothing has worked yet. The cost of labor is increasing much faster than the cost of sales. Manager Campbell stated that the break-even point is \$810,000.00 and our record year was \$730,000.00. An unidentified resident stated that we should open up to the outside people, advertise in the Chicago papers, and have golf prizes be certificates to the restaurant. Manager Campbell stated that the POA is looking into a frequent diner program. Resident Mercer questioned some of the dollar amounts for the workers listed on the financials. Manager Campbell stated that five employees from the Food & Beverage Department are on full time benefits. Resident Malkowski asked if this budget was based on the hours being reduced as they are now. Manager Campbell stated yes it was with the reduced hours. Resident Weaver asked that if the restaurant was not busy were employees sent home? Manager Campbell stated that yes, but that the community had to realize that a wait person being sent home saves us only \$2.10 per hour. Resident Zackiewicz stated that on Thanksgiving he noticed a table reserved for 19 people, however that table was never filled. He questioned whether or not we could be charging people for making reservations and not sticking to them. Resident Malkowski stated that he thought using cash registers to ring things at outside functions might be more beneficial than just putting the money in zipper bags.

Next, the Board passed out a copy of the proposed budget. Resident Marthaler questioned why the boat fees were not increasing? Resident Hutton asked why we don't open the golf course to outsiders? He stated that he works for golf maintenance and he believes the golf course is empty from 8 to 2 pm weekdays. He also stated that the equipment is over 30 years old, and the POA needs some new fairway cutters. Resident Blue questioned the associate members. Manager Campbell stated it was a way to increase golf revenue. Manager Campbell stated that the POA would start to advertise for golf as well. However, Manager Campbell wanted the residents to realize how expensive advertising is. A \_ page ad runs right around \$200.00. Resident Malkowski asked if there were any legal issues pending? Manager Campbell stated that we were still negotiating the Petersen Ditch issue. Mr. Malkowski questioned if the dues would have to be paid all at once, or if the half pay would be used this year as well? Also he questioned why not

have a restaurant credit? Manager Campbell stated that the half pay would be used this year, however the fee would be \$50.00. The restaurant credit was looked at, but the Board decided not to impose that fee.

Resident June Hardy questioned why there would not be an increase in boat fees or golf fees, however an increase of \$15.00 in pool did not seem fair to the pool users. Resident Mason stated that he agreed, and he felt a cost of living increase should be distributed throughout all the amenities. Resident Zackiewicz stated that the golfers expect a better course, and the boaters would like to see improvements as well.

Resident Hutton questioned how many satellite dishes are allowed on one home? Director Rogers stated that building control set a size requirement, but did not set an amount. Resident Hutton stated that he looks out and sees three dishes out his back window on one home.

Resident Emma Jean Joram questioned why she could not receive the high-speed cable service. Manager Campbell stated that there is one node in the system that is not working, so that part of LOFS cannot get the high-speed cable.

Resident Tom Hansen questioned what we were going to do with the 70 acres on the southwest corner of our property. President Batton stated that there are many options available. Some of these options are a seed-bed for our own aquatic plantings, a fish hatchery; future boards might want to keep it a siltation basin. President Batton stated that this board had no plans of selling the property.

Resident Hansen also questioned if the resident's of LOFS would be able to enter the school from the LOFS side? Manager Campbell stated that LOFS has offered to provide access through the Lion's park overflow, however there is a strip of ground that the school would have to acquire from Four Winds Apartment complex. Manager Campbell stated that this entrance would just be a turnaround for LOFS.

Next, President Batton questioned if there was any old business from the Board, there was none. He then asked the residents. Resident Hardy questioned if there was any progress with the home at the front entrance, and if he needed to add square footage to the home? President Batton stated that the builder has been approached and has stated that he will add the additional square footage needed to bring it up to the covenant standards. Resident Hardy questioned how he got this far on the house?

Resident Hutton questioned how the new modular home got permitted? President Batton stated that modulars are allowed in LOFS, and that there are a lot of modular homes throughout the subdivision.

Next, President Batton asked if there was any new business from the Board or residents. There was no new business. President Batton then asked if there were any announcements. Director Rogers stated that on December 16, 2002 Aurelio's Pizza would donate 20% of their profit to the Fundraising Committee, for in-house dining.

Resident John Hutton wanted to publicly thank the Board for the job they have done. Resident Ann Marie Campbell stated that the Marketing Committee was selling videos for \$7.50 and available in the POA office. Resident Campbell also asked that if anybody had a special house that needed to be judged for the Holiday House Decorating contest to call the POA office.

Resident Robin Sturgeon questioned the lawsuit against Falling Waters and wanted some clarification on the suit. Resident Sturgeon stated that she has in writing from the developer, Flamora, that the permits are good, and he is not polluting our lakes. Manager Campbell stated that the lawsuit is a Public Hearing with IDEM, and our concern is that IDEM has stated that the "Head water of Stony Run" is part of the wording of this hearing, and Lake Holiday is the head water of Stony Run. Manager Campbell stated that we are just trying to protect our lakes. Attorney Less asked Resident Sturgeon what her concern was. She stated that she just wanted all of us to be on the same page.

President Batton stated that in the month of January there would be two public meetings to go over the proposed 03/04 budget. The next meeting will be held on January 13, 2003.

With no further business to come before the Board a motion to adjourn the meeting was made by Director Swallers, seconded by Director Exo and duly carried 5-0-0.