

**MINUTES
SEVEN LAKES LANDOWNERS ASSOCIATION, INC.
WORK SESSION
OCTOBER 16, 2008**

President Zielsdorf called the meeting to order at 8:35 am with all Directors present. Also present were Community Manager Fulcher and Assistant Manager Beane.

Old Discussion Topics:

A. Deed Restrictions on Association Properties:
Postponed until December. This will apply to Landowners Office, Sequoia Point, stables, soccer field, and maintenance.

New Discussion Topics:

A. Spending Priorities for 2009-2010:
Director Galford explained Budgeting Procedures (see attached). He requested copies from all Directors on their needs and priorities to be discussed at the next Finance Meeting. Question was raised about cost of paving roads and a discussion followed on "tar and gravel" with Dave Kinney explaining procedures and giving examples of where it had been done in other areas of the community. Director Welch expressed concern on P&L not showing depreciation. After discussion, Director Galford agreed that the Finance Committee will study procedures and see if there should be a change.

B. Allowing Members to Rate Association Major Assets:
President Zielsdorf proposed presenting assets to members and asking for feed back on rating these assets (stables, debris site, etc.). Suggested breaking down costs per year to operate each individual asset, present cost of paving roads, and let the members prioritize. Discussion followed as to what the Board would like to see on the mail out and when to mail it. Decision was made to send out after the first of the year. Manager Fulcher and President Zielsdorf to put together rough draft to present to the Board by early December.

C. Recombination of lots 2257 and 2259R:
On motion made by Director Shaver and second by Director Welch, this is to be on October 29 agenda for vote.

D. Seven Lakes Times (Landowners forum on their website)
Ray Ulansey made presentation at end of meeting.

Report Items:

A. How Nominating Committee Works:

Director Fulcher informed that By-Laws had been approved but not put into Rules and Regulations book. They are now in the Rules and Regulations manual and on web site.

B. Employment of Bob Darr:

Director Fulcher reported that Bob Darr has been employed as Maintenance Supervisor. At the end of 6 months, he is to give report and make recommendations to the Board. At that time, decision will be made whether or not there is a need to retain him as employee. Director Kindsvatter asked for a ruling on Mr. Darr staying on the ARB. President Zielsdorf had concern about meetings being held during working hours and while it was believed to be no legal conflict of interest, the decision was made to keep him on the ARB through December and then operate with remaining members until election of new Board. Director Fulcher also reported that roving patrol Security Officer Mickey Lewis had been promoted to Security Supervisor. Director Caulk has made a new security manual. Community Manager Fulcher informed the Board that he will retire at the end of December 2009.

Additional Items:

A. Director Truesdell reported that a spread sheet had been compiled by the Office Staff for a report on septic tanks and it was discovered that 45% of septic tanks had not been pumped over the last 10 years. He proposed an educational program through the Seven Lakes Times and stricter enforcement on the 2009 registration form.

B. Director Truesdell presented information available on a portable water skiing course to be held on week day afternoons. The information is being presented to Attorney Stovall for opinion.

C. Director Truesdell spoke about Timber Dam and the need to try to keep the dam from becoming a high hazard dam. (see attached)

D. Manager Fulcher advised that he had received information on contract for fireworks display from Atlanta Pyrotechnics. Item to be put on October 29 agenda.

E. President Zielsdorf presented Community Planning Goals from the Long Range Planning Committee (see attached). Board wanted more definition on Public Relations and Liaison Goal.

F. Director Caulk requested the Board sponsor an employee Christmas party. He is to determine date and get back to the Board with more information.

G. Director Welch informed the Board on the possibility of the Chapel making an offer to purchase the Country Club old driving range property.

H. Director Caulk and Assistant Manager Beane talked about an opportunity to purchase playground equipment through a government grant that is available until Nov. 14. This will be put on the Oct. 29 agenda for further discussion and vote.

I. Ray Ulansey made his presentation on the Landowners forum on the Seven Lakes Times web site.

Respectively submitted,

Brenda Massimo

FROM: Don Truesdell
DATE: October 16, 2008

Subject: Timber Dam

Dalton had an excellent idea. We are concerned that Timber Dam may be reclassified as a high hazard dam. At this point we do not have any data to confirm or refute this fear. There are two lots, 1008 and 1020, with houses downstream of this dam. In order to best protect the Association we should determine whether or not these lots would cause Timber Dam to be reclassified.

I contacted Josh Bell and John Garner of S&ME. In order for them to provide a professional answer to this question it will require a survey of this area to include the topographical data. The estimated cost of the service from S&ME including the survey should not exceed \$5,000.

So far we have contracted to spend \$70,000 to produce the EAP's and \$5,000 to produce the plans and specifications for the remediation of Timber Dam. Lakes and Dams has \$100,000 in the current FY budget. Therefore I make a motion to authorize S&ME to proceed with this request to determine the status of Timber Dam for a cost not to exceed \$5,000. This will leave \$20,000 in the current FY Lakes and Dams budget.

We also need this information to better prepare our long range budget.

Oct. 21, 2008 Finance Committee Minutes:

Present: Fulcher, Grout, Jones, Galford

Old

Recap of Prior Committee recommendations to be formalized as Policy

- Reviewed binder and noted items requiring BOD approval

- Funds Investment Policy summary prepared by Grout

- Mileage reimbursement

Financial Report Reviewed (note: 2 page will be attached to Open Session Agenda email)

Funds Statement – **Dalton** prepared computerized form

- Discussed new FDIC deposit insurance limits and Article forwarded by Grout

Date for finalized Balance Sheet Asset Listing – **Dalton** will provide in November

Accounts Receivable Questions - **Dalton**

- Letters issued and responses received

- Reviewed new list

- No additional legal action at this time and no public posting because it limits collection options. List will not be provided as requested in document requests.

Bank Reconciliations – Grout reviewed

CAPITAL BUDGET – LONG RANGE GOALS

- We have contacted Banks – loan policies are not restricted

- We have Community Comparisons

- A Dues Increase IS Needed – Have Alternative if it does Not Pass?

- Discussed current national financial market - members must approve increase

- Review form provided BOD (copy provided to each member)

- Action Time Table Set

 - Dec. 9 Review figures – operating and long range

 - Consider options for dues increases

 - Percentage

 - Set amount

 - Collection tiered over years

 - Jan. 13 Finalize Presentation to BOD

 - Jan. 28 BOD approval

- A Dues increase must consider

 - Operating and Long range needs

 - Community Standards

 - Date of Last Dues Increase

 - How to get people to VOTE

 - Justify why residents should approve any request!

New

Discussed email of 2 page finance statement with agenda - approved

Discussed presenting Depreciation in monthly financial reports – no change planned

Information Requests – one received to date (note: 2 received for the month)

Discuss impact of Dalton's announcement – Financial Policy Procedures in place

Next Meeting Date – Nov 11, 2008 9:00 am

GOALS

INFRASTRUCTURE

Timely maintenance of all Association assets

ENERGY AND ENVIRONMENT

Optimal energy conservation and a commitment to environmentally friendly procedures throughout the community

SECURITY

A physically secure community

PUBLIC RELATIONS AND LIAISON

An influential voice at the county and state levels

FINANCE

A sound fiscal condition featuring a reserve fund meeting or exceeding the state recommended level

AMENITIES AND SERVICES

Amenities and services consistent with a changing demographic

INCORPORATION

A thorough annual weighing of benefits and liabilities of incorporation and promotion of incorporation when benefits outnumber liabilities

MANAGEMENT

A commitment to efficient, cost-effective, and responsive management of Association assets and activities