

**MINUTES**  
**SEVEN LAKES LANDOWNERS' ASSOC., INC.**  
**OPEN MONTHLY MEETING**  
**OCTOBER 29, 2008 @ 7:30 PM – NCH**

The meeting was called to order by President Zielsdorf at 7:35 pm with all Directors present. Also present were Community Manger Fulcher and Asst. Manager Beane. There were approximately 35 residents in attendance.

President Zielsdorf opened the meeting by encouraging residents to light up their homes for the upcoming holidays.

**APPROVAL OF MINUTES:** On motion by Director Welch and seconded by Director Kindsvatter, the minutes of the **September 24, 2008** meeting were unanimously approved. On motion by Director Welch and seconded by Director Kindsvatter, the minutes of the **October 16, 2008** work session were unanimously approved.

**MEMBERS COMMENTS:**

**JoAn Moses** asked why the water was off in her area on October 27 for about three hours. Manager Fulcher replied there was a leak from Laurel Ct. to Primrose Circle.

**Frank Hayes** thanked Director Shaver for hiring Bob Darr and for cleaning up the Maintenance area.

**Ray Ulansey** stated that Progress Energy had a power outage on Sunday, October 26. He questioned whether Randolph Electric and Progress Energy could be contacted and a redundancy between the two companies be put in place in case of loss of service by one of the companies. He also commented on the Chapel's interest in purchasing the old Seven Lakes Country Club driving range and presented a donation to Director and Chapel Pastor Welch.

**Helen Pardue** requested that yellow stripes on community roads be repainted.

**ACTION ITEMS:**

- A. Recombination of lots 2257 and 2259R – On motion by Director Truesdell and seconded by Director Shaver, the motion was unanimously approved.
- B. Approval of 2009 & 2010 4<sup>th</sup> of July Fireworks at a rate of \$6,821 each year with Atlanta Pyrotechnics – After a brief discussion about using Maintenance to clean up Sequoia Point following the fireworks and the \$80 increase in the contract to cover fuel charges, Director Truesdell made a motion to accept the contract and Director Kindsvatter seconded. The motion was unanimously approved.
- C. Playground equipment for North Clubhouse – Director Kindsvatter made a motion, seconded by Director Truesdell, to allow the purchase of playground equipment up to a maximum of \$20,00. Motion passed 5 to 1 with Director Galford opposing. After discussion, Director Welch made a motion to rescind the previous motion to purchase

playground equipment, seconded by Director Kindsvatter. Motion was approved 5 to 1 with Kindsvatter opposing.

**REPORT FROM NOMINATING COMMITTEE:** Director Shaver reported that he currently had 6 candidates and 13 possibilities. He said we need a mix of young and old and he would like to have 8 to 10 candidates.

**COMMITTEE REPORTS:**

**SECURITY** – See attached report.

**FINANCE:**

1. Galford made a motion, seconded by Kindsvatter, to change the SLLA mileage reimbursement rate to equal the current IRS business mileage deduction rate. (It shall automatically adjust for changes in the IRS deduction rate). **Motion** passed 5 to 1 with Shaver abstaining.
2. Welch made a motion, seconded by Kindsvatter, to approve the following policy. The SLLA bank reconciliation shall be reviewed by an individual appointed by the Treasurer. The individual shall review for any unusual items, investigate and fully resolve any such items and document his or her approval by initialing the accounting personnel's bank reconciliation. **Motion** was unanimously approved.
3. Galford made a motion, seconded by Kindsvatter that a member of the Board of Directors shall approve reimbursements for Community Manager & Board member expenses. After a brief discussion Galford moved and Kindsvatter seconded to approve the motion with the following amendment. A Board member designated by the Board of Directors shall approve reimbursements for Community Manager and Board member expenses. No member or employee may approve his/her own reimbursements. **Motion** was unanimously approved.
4. Galford made a motion, seconded by Truesdell, that Association monies shall be invested in FDIC secured accounts. **Motion** was unanimously approved.
5. Galford made a motion, seconded by Truesdell, that the Association Trial Balance shall report money account balances by location or security type. Association account numbers and more detailed information shall be treated as confidential for account protection. Monthly account activity reports shall be reviewed by the Finance Committee. All such information is available to Board and Finance Committee members. **Motion** was unanimously approved.

**LAKES & DAMS** – See attached report.

**COMMUNITY STANDARDS** – Welch reported that the Community Clean-Up Day would be November 8. Sue Zeller is heading this project with 15 volunteers. Members who don't have the means to do it themselves can call Ray Pardue before 5:00 pm on

November 6 for pick up. He also stated that unregistered boats or trailers stored across from Lake Sequoia must be removed by the end of November, 2008.

**ARB** – See attached report.

**RECREATION** – Assistant Manager Beane reported that 23 people went on the State Fair trip, sign-ups are underway for a shopping trip to Smithfield, Halloween Carnival will be October 31 from 6-8 pm with games, refreshments, & a night egg hunt, and the Stables will begin taking reservations for the Thanksgiving holidays on November 4 at 9:00 am.

**BEAUTIFICATION** – See attached report.

**MAINTENANCE** – See attached report.

**MANAGER'S REPORT:** See attached Financial Statement. Fulcher reported dues collection letters have been sent to delinquent property owners. We will be collecting sealed bids for miscellaneous items located at the Maintenance area. Items may be viewed on November 7 from 8-6 pm. Bob Darr is doing a great job working with the men and cleaning up the Maintenance area and will be providing written recommendations for Maintenance at the end of six months.

**ADDITIONAL ITEMS:** Director Caulk presented quotes from a new company we are looking into to service the barcode system.

**ADJOURNMENT:** On motion by Shaver, seconded by Truesdell, the meeting adjourned at 9:20 pm.

Respectfully submitted,

Debbie Caulk

## LAKES & DAMS

FROM: Don Truesdell  
DATE: October 29, 2008  
TO: File

Subject: L & D Committee Report

Number of pages: 2

The Emergency Action Plans required by North Carolina Department of Environment and Natural Resources for Echo Dam has been written and will be submitted to the State on Thursday, October 30, 2008. The balance of our EAP's for the remaining four high hazard dams will be submitted by December 31, 2008. The deadline is December 31, 2010. The money to produce these State mandated EAP's has been budgeted in the current FY09. We have \$100,000 in our budget and the EAP's will cost approximately \$70,000.

S&ME will send us a strategy in terms of how to deal with the State concerning the requirement for emergency drain valves in all high hazard dams. As you know we have five high hazard dams (Sequoia, Echo, Longleaf, Big J and Little J). If we are forced by the State to install these emergency drain valves it will be a very expensive process. As soon as the S&ME strategy has been received then I will present this information to the Board so we can all be in agreement as to how to proceed.

Since our dams were permitted and built before the State requirement for emergency drain valves then hopefully our dams will be grandfathered and we will not be forced to install these emergency drain valves. Since the emergency drain valves represent a safety item it is entirely possible that our dams will not be grandfathered.

S&ME is preparing plans and specifications for the remediation of Timber Dam and as soon as they are received we will go out to bid to establish a budget line for this work.

Next month the Lakes & Dams committee is going to publish a regular column in the Seven Lakes Times concerning septic systems. Every house in Seven Lakes has its own septic system. Many systems are over 30 years old. According to the Membership Registration Form on file for FY09 only 54% of our residents know when the last time their septic tank was inspected and pumped. This is unacceptable. I urge every homeowner to check

his records so he can complete the Membership Registration Form for FY10 with the date of when his septic tank was inspected and pumped.

Thank you.

File:board102908

## **MAINTENANCE**

**Subject:** 2008 Maintenance Committee 28 October 2008 Meeting Minutes

**To:** 7LLOA BOD

**Date:** 30 October 2008

**CC:** Maintenance Committee Members

- 1. Members in Attendance:** This meeting was held in the newly renovated Maintenance area with the following members in attendance: Mike Cummins, Bob Darr, Jack Fathauer, Dalton Fulcher, Frank Hayes, Jay Kenzel, Andy Lowe and Bud Shaver
- 2. Approval of 22 September 2008 Meeting Minutes:** Approved
- 3. Community Manager's Comments:** The meeting opened with the Community Manager, Dalton Fulcher, outlining his decision to hire Mr. Bob Darr as the Maintenance Department Supervisor. At the end of the first six month period Mr. Darr is to provide the Community Manager and the Association's BOD a report outlining the Maintenance Department's needs, recommended employee structure and responsibilities.
- 4. Maintenance Department Supervisor:** Mr. Darr was enthusiastic about his responsibilities and what has been accomplished in the previous three weeks and what yet needs to be done. The new building has now been approved by the County Inspector and has been well organized with workbenches, tools, and required supplies that have been on hand. A large amount of un-need items have been discarded. The availability of the new building enabled the Maintenance Department personnel to clean out the older building and repaint it inside and organize it. Mr. Darr then took the Maintenance Committee members on an inspection tour not only of the building but also the Debris Site area where previously large cement blocks and other unsightly items were on site and are now gone with only the items to be used in the forthcoming sale still on site. The other buildings are being reorganized so that all maintenance equipment will soon be under a roof. Maintenance Committee members were amazed and pleased at what has been accomplished to date. This work was accomplished because we are out of the major grass-growing period enabling the Department personnel to spend time on cleaning up the buildings and site. . There are a few other things Darr wishes to accomplish before he starts working with the department personnel in the field. To date he has been very happy with the ongoing performance of

the Department's personnel. Mr. Darr asked for the following support from the Maintenance Committee:

- a. **Equipment Inventory:** Needs assistance in conducting an inventory on all equipment items under \$2,000.00.
- b. **Road Survey:** Needs assistance in conducting a survey of our 27 miles of roads to determine a priority schedule for patching and paving.
- c. **Required Equipment:** Currently the majority of the Department's maintenance equipment is satisfactory but will need two trucks by the end of the year.

Darr explained some of the other projects he wishes to accomplish in the immediate future:

- a. **Equipment Wash Station:** Construct an equipment washing and cleaning area.
- b. **Renovate the Utility Building.**
- c. **Complete renovation of lower building.**

**5. Maintenance Committee Chairman's Comments:** The Chairman referred to his comments at their first committee meeting on his philosophy and perspective: *"The past is prologue and cannot be changed. Let's us concentrate on what is required now and in the future to help the Association's Maintenance Department to successfully and efficiently accomplish their tasks to enhance our community's appearance and amenities in a cost-effective and timely fashion. Our mission should be one of help and assistance not criticism and condemnation. In many instances our committee will have to work jointly with other committees who will be requesting Maintenance Department support. Lastly we will be looking at a large elephant that must be eaten one bite at a time that will take time. It is not our responsibility to issue instructions to any Association employee unless it is a matter of immediate safety. The Committee's recommendations will first be reviewed with the Community Manager for his input prior to providing those recommendations to the BOD."*

The Committee no longer needs to concern itself with the Department's daily operations but to concentrate their efforts on assistance and oversight. Committee Members are asked to assume the following tasks:

- a. **Norm Ihrig** and **Jim Ball** are to assist Darr in conducting an inventory of all equipment and tools under \$2,000.00.
- b. **Mike Cummins** is to assist Darr in conducting a survey of the Association's roads.
- c. **Jay Kenzel** is to assist Fulcher in the sale of the surplus/discarded items.
- d. **Jim Caudill** and **Frank Hayes** are to continue to work with the Beautification Committee.
- e. **Jack Fathauer:** Complete his Boat Storage Area project and conduct a survey of the Association's buildings as to their structural and/or appearance needs.
- f. **Andy Lowe:** Be prepared to provide computer and electronic support to the Department and continue his liaison with the Lakes and Dams Committee.

- g. M.G. Shaver:** In concert with the Department's Maintenance Supervisor prepare a Department Operating Manual to be completed within six months.

The meeting was adjourned at 3:00 PM. The next meeting will be held in the Maintenance Area on Thursday, 6 November 2008 from 9:00 to 11:00 AM.

**Manila G. Shaver**  
Manila G. Shaver  
Maintenance Committee Chairman

### **FINANCE**

The Financial Procedures Manual established by the Finance Committee with the assistance and perfection of the Community Manager and Finance Officer requires Board of Directors approval for the following:

- 1) **MOTION:** The SLLA mileage reimbursement rate shall equal the current IRS business mileage deduction rate. (It shall automatically adjust for changes in the IRS deduction rate)
- 2) **MOTION:** The SLLA bank reconciliation shall be reviewed by an individual appointed by the Treasurer. The individual shall review for any unusual items, investigate and fully resolve any such items and document his or her approval by initialing the accounting personnel's bank reconciliation.
- 3) **MOTION:** A Board member designated by the board of Directors shall approve reimbursements for Community Manager and Board member expenses. No member or employee may approve their own reimbursements.
- 4) **MOTION:** Association monies shall be invested in FDIC secured accounts.
- 5) **MOTION:** The Association Trial Balance shall report money account balances by location or security type. Association account numbers and more detailed information shall be treated as confidential for account protection. Monthly account activity reports shall be reviewed by the Finance Committee. All such information is available to Board and Finance Committee members.

**NOTICE:** Internal Control Procedures dated October 29, 2008 (copy attached) shall be utilized by the Finance Committee to oversee control and protection of Association assets. Control Items that are not noted as Confidential or Board Approval may be changed by a majority vote of the Finance Committee. However, the Board of Directors shall be notified of internal control changes.

**Internal Control:**  
**dated 10/29/08**

Checking

Accounts (account number, location, and purpose) (Confidential)

Signature Policies:

All Checks (2 signatures)

\$5,000 Checks (recurring and payroll exceptions) (Employee & Director)

Committee Project Approval (Committee Chair Initial)

Credit Card (limits same as checks, one signature – manager controls)

Board of Directors Reimbursement or Benefit Payments

Prior Approval by Executive Committee Representative

Voucher Request Approval (above \$500 manager only)

Contract Authority (Manager)

Non-Budget Manger discretion up to \$3,000

Budget Approved amount (Competitive Bids above \$6,000 suggested)

(Competitive Bids above \$20,000 – required)

Non-Budget Manger requests Board Approval

(Competitive Bids above \$3,000 – suggested)

(Competitive Bids above \$10,000 – required)

Asset Acquisitions – Manager up to \$20,000 with prior Board Notification

Contract Authority (\$20,000+)

Competitive Bids

Signed Contract

Committee Head initials

Manager Signature

Board Signatures (Pres., Treas., or Sec.)

Payment Policy Stated

No Payment before work is started

Cash Collection Procedures (advance plan - limited to office staff if possible)

Exceptions only for stable and pool weekend guests

Fund Investments “Risk Limitations” (Board Approval)

Funds Statement (Confidential)

Accounts (account number, location, and purpose) (Confidential)

Signature Policies – employee with monthly report to Finance Committee

Mileage Reimbursement Policy and Rates (Board Approval)

**ARB MEETING**  
**October 23, 2008 Minutes**

A. New construction

119 Somerset – Custom home – Jim and Carolyn Hensley

The committee will look at the lot and make a decision at the next meeting.

B. Additions/Alterations

134 Firetree – Bob Burwell

Roof replacement – **Approved**

**Next meeting – November 6, 2008 – 8:30am**

**BEAUTIFICATION COMMITTEE**  
**October 4, 2008 Minutes**

The Beautification committee met on October 4, 2008. Sequoia Point was the main topic for discussion.

1. The maintenance department will repair the irrigation system.  
Al and Jim will be liaisons with Dalton.
2. Jeff MacIntyre and his horseshoe playing buddies have volunteered to rebuild the horseshoe pits. The landowner's office will pay for the material. We plan to put up a split rail fence around the area.
3. The committee wants to put a cement edge around the beach area. We also want to have the old cement boat ramp removed. We will discuss this with the maintenance department.
4. We also want to plant two Willow trees near the beach area. We're checking on size and price. These should be planted in late fall.
5. We want to improve the entrance. We need to enlarge it and plant more shrubs.
6. We plan to add more picnic tables and a couple grills next spring. We also need more trash containers and several cigarette butt containers.

On Friday, October 24, the Beautification committee sponsored a committee wide clean up campaign for Sequoia Point. At least 18 people showed up with clippers, rakes, and pruners. Everything looks wonderful and we are all very appreciative.