SPECIAL HOME OWNER MEETING

I. Special meeting called to order – 7:00 PM

Board Members Present:
President: Judy Glazewski
Vice President: Tom Krippel
Treasurer: Beth Murphy
Secretary: Jerry Spehar
Director: Len Wiencek
EPI Representative: Scott Adler, Field Manager

II. Approval of minutes of the 9/29/2014 Annual Meeting minutes.
1. Judy motioned to approve the minutes. Jerry seconded the motion. The motion was unanimously approved.

III. Approval of minutes of the 9/14/2015 Annual Meeting minutes.
1. Judy motioned to approve the minutes. Jerry seconded the motion. The motion was unanimously approved

IV. The board President will explain the reason for the Special Meeting.
1. Judy stated the reason for this meeting was to bring up the issue of soffit/fascia that was brought up last year, during the roofing project, and was put to the owners, for a vote. Because it was an improvement it required owner approval. That vote failed. Because the roofing project is completed and under budget, the board decided to bring this issue up again for a 2016 project. This, again, will require a home owner vote. Beth will explain the financial aspect of the issue.

V. Treasurer Beth will report on the following:
1. Beth’s started by referencing the reserve study. Beth noted that the reserve study was done and received the first reserve study done in June 2015. The instructions were to include all costs that would require capital maintenance. However, per the declaration, some are required and other optional in terms of the association funding the reserves. At the July 2015 board meeting, the reserve study was discussed and critiqued by the board. Revisions were needed to the reserve study prepared by an outside firm, including correcting the estimated 1/1/16 reserves from being over $800,000, as an example. In August 2015, with the revised reserve study information, the board discussed and voted on the items whose cost coverage by the association reserves is discretionary. Beth then extracted the data from the reserve study for the items that are required per the declaration and now required per board of director vote for being covered by association reserves. At the September 2015 Annual Meeting, Beth presented the results of the engineering study for items that are required per the declaration and the discretionary items approved by the Board for the association reserves to cover. Beth reported the amount of the change in the contribution to reserves that would be needed to cover the costs projected over the next 30 years for these items. Owners at the September 2015 meeting provided feedback that they did not want to start paying now for the next roof. There was also discussion of painting of the garage doors and dredging around the edge of the lake. So, these
costs were pulled out of the reserve study by making those amounts zero in the reserve study. Beth then also noted that the engineers’ reserve study did not take out income taxes on the interest income earned on the reserves, so she deducted the 30% current tax rate on interest earned by associations. When revising the numbers the week prior to the October 2015 board meeting, Beth requested that a bid be obtained from the contractor used by the Association in the past for the driveway replacements scheduled for 2016. The bid was sent to Beth at 4:30 pm on the day of the October 12, 2015 meeting. The bid showed that the bid cost was half the estimated cost for driveways included in the engineers’ reserve study, which is good news. Beth had a handout ready to give to owners, but with the new information provided to her at 4:30 pm, the handout was no longer relevant. However, Beth made copies for the board’s discussion to be held during the board meeting on the 2016 budget.

Beth noted that some operating costs will decrease in 2016. She notes that driveway repairs will decline significantly because a third of the driveways will be replaced. In addition, reserve study costs will not be incurred again. These cost reductions are helping to offset the impact of the need to increase assessments to cover the contributions to reserves needed as a result of the revised reserve study.

Part of the prior $165 regular assessment was $12 that was being contributed to the roof. Also, the owners were given information about the cost savings from painting and wood repairs if the siding of the soffit and fascia boards is done, which Beth estimated to be $12 per unit per month.

If the siding of the soffit and fascia boards is done in 2016:

a. there will be a decrease of $12 in operating costs (painting & wood repairs)
b. the increase in assessments of $38 to contribute to reserves (due to taking out the roofs PLUS the significant decrease in driveway replacement costs that are coming up in the next three years.
c. $12 is already included in the $165 will no longer have to be applied to the roofing project and can now contribute to reserves for non-roof costs
d. Assessments would go up by $14, in addition to
e. At best, the $165 regular assessment would go up to $170 to $175.

If the siding of the soffit and fascia boards is not done in 2016,

a. the assessment increase will be $22, not $14, because there will not be the cost savings for painting and wood repairs
b. the assessments will be higher and be $179 to $184, depending on the board’s discussion on the operating budget.

Beth noted that it made complete sense to do the siding of the soffit and fascia boards because we have the funds now to do the project, the project will save money going forward ($12 per month per unit), and since the driveway replacement costs are lower than expected.
We consulted with our roofer that our roofs are going to last 30 to 40 years, and not 24 years later as shown in the reserve study.

Beth was asked about the reserve balance after paying for the siding project, and she responded to those questioning the data presented by the Treasurer.

The gutters will not have to be removed when installing the siding of the soffit and fascia boards.

An owner asked about who provided the driveway replacement bid and its specs. Beth noted that the bid was $45,000 less the costs in the reserve study for the driveways. Scott read the specs in the bid which did not include a binder.

Lang indicated that very little wood would be needed to install the siding. The wood repairs for 2015 will still be done.

Beth explained the types of costs causing the increase in amount of reserve contributions, including the remaining siding, gable vents not replaced, replacing the vinyl fence, drain tile repairs, etc. Owners will be paying out of pocket for any window replacements, cement work and other items.

An owner asked if there will be a special assessment. Beth noted that the $195 will go away starting in 2016 but the regular assessment of $165 will increase due to increased contributions to reserve. Recently, contributions to reserves are a result of coming in under budget due to the work of the volunteers doing sprinkler repairs and the Treasurer being a CPA, and thus resulting in the board not requiring an audit.

An owner questioned why a reserve study was not done sooner than 2015 so that more funds could be in reserves. Beth pointed out that if a reserve study was done a few years ago, then the results of that reserve study would have indicated that the $165 assessment should be higher and still have the $195 roof assessment. Instead, the reserve study was being done in 2015 to figure out how much the $165 assessment would have to increase in 2016 when the $195 roof assessment would be going away. Therefore, there was a strategy as to timing of when the reserve study was done.

An owner again asked if there was going to be a special assessment. The owner was told no. Again, it was noted that the $165 assessment was going to go up, depending on whether the siding project was approved, and that the $195 assessment for roofs ends in December 2015.

VI. Owners vote on the siding of the soffit/fascia association project.
1. Judy stated, she was informed by Scott, that a vote cannot be taken because of the number of owners present and the number of proxies, there are not enough votes. She stated we are 8 (eight) owners or proxies short.
2. Judy pointed out that there is not enough people to get a 2/3 approval vote which is 61 owners. Only 53 owners were present in person or via proxy. Therefore,
no vote was taken. Scott noted that we would have to hold another vote at another meeting.

An owner indicated that discussing the past is not getting anyone anywhere. The same owner indicated that increasing assessments can result in work getting done that needs to be. Anyone who votes against the siding of the soffit and fascia should have their heads examined. Beth pointed out again that assessment will be higher if the siding of the soffit and fascia board is done due to not having the benefit of the cost savings in painting and wood repairs.

3. Another owner complained about the current reserve balance.
4. A decision was made to conduct a vote at the November 9, 2015 special meeting.

NOTE: 61 votes are needed for approval. There are only 53 homeowners present, in person, or represented by proxy.


VII. Adjourn Special Meeting. (TIME 00:38:58)
1. Beth motioned to adjourn the special meeting. Len seconded the motion. The motion was unanimously approved.

REGULAR MONTHLY BOARD MEETING

I. Meeting called to order at 7:45 PM
1. Judy called the meeting to order.

Board Members Present:
President: Judy Glazewski
Vice President: Tom Krippel
Treasurer: Beth Murphy
Secretary: Jerry Spehar
Director: Len Wiencek
EPI Representative: Scott Adler, Area Manager

II. Unit Owners Present: No head count was taken.

III. Guests: None

IV. Homeowner’s forum: None
V. Approval of the minutes:
   1. Tom motioned for the approval of the September 14, 2015 meeting minutes. Len seconded the motion. The motioned was approved unanimously.

VI. Treasurer’s Report: Beth Murphy
   1. Beth reported on the 2 versions of the 2016 budgets. There are 2 versions of the budget: one assumes the soffit and fascia board siding is done, the other assumes not. Beth distributed these 2 drafts of the budget to all board members and Scott. Beth explained the changes needed to the reserve contributions as a result of the driveway bid cost being lower. The result is that estimated assessment if siding is not done is $179 per month per owner, but a total of $170 per month per owner if the siding project is done.
   2. Beth discussed individual line items in the budget. For Landscape Maintenance, she budgeted a 4% instead of 1% increase that EPI used. Beth also wondered if a 4th fertilization should be added to the budget. There is only a one-year contract with Acres, so the amount of the actual increase will depend on future bids. The board agreed to limit the budget to 3 fertilizations.
   3. Waldman did not reserve for landscaping. Beth asked if landscape replacement should be reserved or put in annual budget. The board agreed to keep the landscaping replacement as an operating item; only big landscaping projects can be reserved.
   4. Beth did not budget for an increase for snow removal for 2016. Our contract ends in March 2016. Scott says that SMS sounds like they will not increase their bid. The board did not have a problem with SMS as a contractor and did not anticipate changing.
   5. General maintenance & repairs now excludes wood repairs, which are in a separate line item. $4,000 less is budgeted for wood repairs if the siding of the soffit and fascia boards is done.
   6. Scavenger contract is up in February 2016. Beth budgeted an increase of 5%.
   7. Lake maintenance – Beth went with EPI’s budgeted amount
   8. For sprinkler repairs, Beth wants $8,000 instead of EPI’s $4,000 so the volunteers can quit if they want.
   9. Exterior painting is different in the 2 versions of the budget are different by $9,807, which is an amount Beth obtained from SMS.
   10. Driveway maintenance is kept at $4,000 since in 2016 sealcoating is estimated to be done for the 2/3 of the driveways not getting done yet.
   11. Roof repairs & electric are similar to EPI’s, and management fees are budgeted to increase for the last 6 months.
   12. Insurance is budgeted by Beth as the same as EPI.
   13. Beth asked the board to discuss and vote on whether an external audit was needed. The board voted to not have an audit, except Beth recused herself from the discussion and vote.
   15. Nothing was budgeted for volunteer appreciation.
   16. The result is that the assessment would be $170 if the siding is done, but $180 if the siding is not done.

Scott suggested sending out 2 versions of the budget, and Beth indicated that was her plan.
The board discussed the notion of not requiring the owner vote, but the declaration is clear about what is needed when there is an improvement instead of a replacement. However, it is a poor financial decision to not vote for this work. The board agreed we need to make it clear to owners about the cost savings and the fact that we now have the money to fund the project (and not charge the owners for the siding project). Tom noted that the biggest issue going forward is the pump.

The board agreed that the reserve study did not have to be replicated/revised again for the driveway costs 20 years from now.

Scott confirmed that the budget has to be sent out 25 days before the next meeting. So, Beth has to get the revised budget and cover letter to Scott by Friday.

The board discussed the Waldman Engineering check should be voided since the fees for the Excel files need to be deducted since we did not get the tables.

VII. Management Report: Scott Adler
   I. Financial:
      A) Statements: Not discussed
      B) Delinquency Status: Not discussed
      C) 2016 Budget:

   II. Miscellaneous Operations:
      A) 8826 - 8832 Bluebird Drainage:
         1. Scott stated the drainage work is done.
      B) Landscaping:
         1. Scott asked the board if it wants a fourth fertilization and broadleaf treatment for a cost of $3,532. Jerry asked if that wasn’t already decided. Scott stated it was resent after the dollar amount was added. Jerry motioned approval. Beth seconded the motion. The motioned was approved unanimously.
      C) Vacant Tree Rings:
         1. Scott stated Acres Group has completed the work.
      D) Bench Area Restoration: No discussed
      E) Lake Signage:
         1. Jerry had a question whether the sign were too small. He also stated the e-mail did not state the dimensions. A later e-mail, stating the size, was not received. Judy suggested we use them. There was a board discussion. Tom also mentioned that the signs, though small, are legally binding. Jerry motioned the board accept the sign as received. Tom seconded the motion. The motioned was approved unanimously. Jerry and Tom stated they will mount the signs.
      F) Exterior Painting:
         1. Exterior painting: Scott stated SMS completed the contracted painting.
         2. Wood repair: Scott stated he has a wood repair list. Judy asked if it includes painting of any wood just replaced by Lang during the roofing project. Scott stated he did not get a cost in time for the meeting, but will e-mail the board later. Scott state the cost will not be significant.
G) Rotted Wood Replacements:
   1. Scott stated he received a proposal from SMS for $1,850 on the buildings that were painted. There are ten (10) units and mostly on the gables and fascia boards. The others are trim around the garage doors. Beth had a question, referencing the work orders, regarding a match-up. Scott stated there was one (1) unit, on Mockingbird, that had a rotted soffit and SMS had already completed that one. Beth asked if this was the only wood repair work order. Scott stated it was. Beth motioned approval of the SMS proposal. Jerry seconded the motion. The motioned was approved unanimously.

III. Exterior Modification Requests:
   A) Stojan (18219 Hummingbird):
      1. Decorative fence. Judy had a question regarding the location of the fence. The fence would sit on the ground and would not be attached to the brick or concrete. There was a board discussion. Beth and Len asked, if approved, would it be replicated at 91 (ninety-one) units. There was board discussion. It was stated, by Beth and Len, that PLTA follows the village ordinance and Tinley Park ordinance states dogs must be on a leash. Beth motioned non-approval. Len seconded the motion. The decorative fence was rejected unanimously.

   2. Beth asked if correspondence to the owner should be discussed now. Scott stated the board would have to discuss this in an open session. Judy suggested we discuss this issue later after discussing the remaining requests that have already been approved via e-mail.

   B) Parker (8923 Pheasant Lake Drive) Front and rear exterior lights. Unanimous approval via e-mail.

   C) Parker (8923 Pheasant Lake Drive) Mailbox replacement. Unanimous approval via e-mail.

   D) Concannon (18208 Mockingbird) Removal of Austrian Pine tree. Unanimous approval via e-mail.

   E) Karchut (18206 Mockingbird) Skylight replacement. Unanimous approval via e-mail.

   F) Zima (18217 Pheasant Lake Drive) Bedroom window replacement. Unanimous approval via e-mail.

   G) Zima (18217 Pheasant Lake Drive):
      1. Tree removal: Rear of the unit, by the patio. Scott stated his office was notified there were no utilities in the area. They also requested removal of the Ash tree 15’ away from the tree originally requested at the rear of the unit. They will grind both stumps and restore the areas. Judy asked if restoring means restoring to grass or restoring to the original mulching. She also mentioned flowers in the area. Are they restoring to a flower bed or grass. There was a board discussion of what the area looks like currently and their location relative to the planting (common) area. Beth and Judy suggest the owner wants to take down the trees and make flower beds. The board discussed the current appearance of the two areas. The discussion suggested the areas will be turned into flower beds and must be maintained by the unit owner. Tom motioned to approve the
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owner removal of the trees and restoring the areas into flower beds. Len seconded the motion. The motioned was approved unanimously.

IV. Rules Violations and Appeals:
A) Barnett (18201 Pheasant Lake Drive) Retaining wall in front of the unit.
   1. Scott stated a letter had been sent stating the unit owner would be charged back for the cost of removal of the retaining wall. The unit owner responded stating the retaining wall was installed in 1999 with approval of the board. It was not clear if the board approved installing the wall by the owner or the association installed the retaining wall. If the association gave the unit owner approval and the home owner installed the wall, then the owner would be responsible for the cost of removal. If the association installed the wall then the association would be responsible for the cost of removal. Scott stated that 1999 pre-dated EPI as the management company. There are no records of what was done or financials available. The cost is $400. It was suggested the wall was put up by the home owner because the owner said so in their letter. There was a board discussion. Judy stated there were no fines involved, just the cost of the wall removal. Judy suggested the association assume half the cost ($200). Judy motioned the association split the cost ($200) to the homeowner. Len seconded the motion. The motioned was approved unanimously.
B) Braack (18219 Hummingbird) Fence and $525 fines.
   1. Scott stated the owner requests the fines be reversed. Scott stated the By-Laws provide for a daily fine. There was a first letter in July for $25 and was not corrected which led to the $500 fine. Scott stated the owner has submitted the modification request and the owner states they did not receive the first letter dated August 19, 2015 notifying them they must submit the modification request form. Beth motioned that the $25 fine be assessed the owner and cancel the $500 fine. Jerry seconded the motion. The motioned was approved unanimously.
C) Census Card Violations: Not addressed

V. Miscellaneous Correspondence:
A) Sommer (18144 Mockingbird): Driveway replacement.
   1. Scott stated he has inspected the driveway, but there are several other driveways at the same level of deterioration. Scott stated he spoke with the homeowner that the board was holding off on driveway replacement until 2016. The board discussed that that address would be in the first third of the driveways done in 2016. The board agreed to table this request. No vote was taken.
B) Owner letter for 8915 Mallard was given to the board by Scott that was sent out on the day of the meeting (10/12/15).
C) Glazewski (18132 Pheasant Lake Drive): Drain tile contract with Acres.
D) All Owners: Notice attached for October 12th meeting for voting on soffit/fascia board siding.
E) Drain Tile and Mailbox letter?? Not auditable as to the owner or location.
   1. Scott stated the letter was not sent. Another letter was sent instructing the owner to submit the modification request for the drain tile and mailbox. The letter also stated the fines would be reduced down to $25 for each
violation. The fines were already paid and the fines would be reimbursed. Beth requested EPI send all board members a copy of the letter. The board previously agreed to a motion for this action.

F) Insurance Violations: Scott stated the some owners turned in their cards at the beginning of the meeting. There was a board discussion regarding home owner compliance and fines for non-compliance. Scott referenced a list of the compliant and non-compliant home owners. Beth referenced the insurance amount for the unit at 8907 Bluebird and 8923 Pheasant Lake Drive as possible being too low. There was a discussion regarding the cards. Beth suggested that fines be assessed starting after the November board meeting, but the fines will be $5 per day starting from July 1, 2015 per the draft letter. The board agreed.

VI. **Sales Summary**: None

VIII. **Work Order Printout**: Not discussed

IX. **Inspection Report**
1. 8837 Bluebird - Garbage can left between bushes. Board authorized EPI to send a violation letter.
2. 8811 Bluebird. Rotten wood on window. Home owner’s responsibility. Board authorized EPI to send a letter.
3. 18227 Hummingbird: Dead bushes. EPI will notify Acres.
4. 18138 Pheasant Lake Drive: Bush and tree replacement request. Beth stated the Declarations do not mandate the association has to plant trees. The board decided to table this issue until 2016.

X. **Executive Session**: None

D) **Meeting Adjourned: 09:00 PM**
1. Jerry motioned to adjourn the regular monthly board meeting at 9:00 pm.
2. Tom seconded, and the meeting was adjourned without any executive session following the board meeting.