

***Peaceful Valley Lake Property Owners' Association***  
***August 2018 Board of Directors Meeting Agenda***

August 17, 2018

I. Call to Order

Meeting called to order by President Kim Burkhardt at 7:30 PM

II. Roll call: All Directors Present

Kim Burkhardt, President  
Charles Kinworthy, Vice-President  
Mike Garlock, Treasurer  
Gary Hacker, Secretary  
Glen Boettcher  
Greg Brenner  
Tom Bush  
Tim Edwards  
Carol Eilermann

III. Guests

- Charles Kinworthy, Sr.
- Lorraine Andrysek

IV. Guest Issues

- Discussed poor condition of the repaving of Peaceful Valley Road.

V. Approval of minutes from last meeting

- Carol moved to approve the minutes of the July 2018 Board meeting, Tim seconded, motion carried.

VI. Approval of Treasurer's Report and Recap

Discussed clean-up of the membership rolls and the members who haven't paid their dues yet. Clean up shows 626 voting members owning 724 lots plus 6 dual-ownership lots. Total expected assessments would be 730\*\$325 or \$235,300. We're at about 83% paid (not including the chronic non-payers) so we need to adjust our budget accordingly. See

table below for details. Charlie moved to approve the report and recap, Carol seconded, motion carried.

|                          |     |           |
|--------------------------|-----|-----------|
| Number of Voting Members | 626 |           |
| • Single Lot Owners      | 555 | \$180,375 |
| • Two Lot Owners         | 55  | \$35,750  |
| • Three Lot Owners       | 12  | \$11,700  |
| • Four Lot Owners        | 3   | \$3,900   |
| • Five Lot Owner         | 1   | \$1,625   |
| • Multi Lot Members      | 6   | \$1,950   |
| Total # Paying Dues      | 632 |           |
| Expected Dues in 2018    |     | \$235,300 |

VII. Old business

- a) Bridge Repair—Mike reported that Karl Kloster checked the bridge and it appears that the \$6000 estimate isn't far off the mark. Discussion about using some type of epoxy to repair. Need to get additional estimates for repair.
- b) Damaged Buoy in fishing area has been replaced. Member has been billed for cost to replace. Member paid in full, issue closed.
- c) Road paving. Midstates completed the road resurfacing project the first week of August, including the access road and cul-de-sac at the Woodson Marina. They will return later to place the speed bump in on the east side of the lodge when they have a hot asphalt paving job later this summer. Given the budget shortfall, Mike suggested that we hold off on the speed bump until next year.

- a) Recommend eliminating vote on new members.

We agreed at the last meeting to eliminate vote on new members in lieu of adding an agenda item recognizing the new members at each meeting. That agenda item has been added for this and future meetings.

- c) Tree cutting service.

AAA Tree Service came in on Saturday August 11<sup>th</sup>, to remove the 8 dead trees discussed at the last meeting. Tom Bush accompanied the technician to show

where the trees were. While taking down the trees, they found some additional issues with trees. While the service had their bucket truck and trailer onsite, Tom authorized an additional \$200 to take care of those issues. Part of our decision to limit the size of the job was to gauge how well AAA Tree Service worked. Tom Bush mentioned that they worked quickly, did a good job, and cleaned up well.

d) Members have requested to turn over their lots to Peaceful Valley.

Eric Teague has agreed to pay costs associated with transferring his property to Peaceful Valley. Working with Gasconade County Abstract to complete the transfer. Small issue, the original transfer to Eric from previous owners Vernon and Janet Preston of St. Louis wasn't properly notarized in 1983. We must get a quit-claim from the Preston's to correct that error before the transaction can proceed. We contacted them, they still live in the same house they did in 1983 and have sent them the quit-claim to sign and notarize.

Dwayne Hart is willing to buy Catherine Hibler's lot for the amount of the judgment--\$1388. He wants to make sure that the transaction will include the 2018-19 dues and wants to see if the water company will waive any back payments for water availability. Mike Garlock found out that there's about \$160 owed to the water company and is suggesting that we work together to waive some fees to stay at the \$1388 figure. Gary spoke to Mike Mundwiller about how to make this kind of transaction. He had a few suggestions on how to do this. Now we need to get in touch with Cathy Hibler to see if she would be willing to make this deal.

e) Lawyer is non-responsive.

Charlie checked with the lawyer he recommended and found out that it would probably not be cost-effective as the lawyer is in St. Louis and would have to make one or more trips to Hermann since Gasconade county court information isn't available online. We would have to pay for his travel time and it wouldn't be worth it. Mike was still checking but thinks the one he is recommending may have too much on his plate. Gary talked with Mike Mundwiller who said he'd be willing to help and that his daughter is finishing up her last year of law school this year and plans to join his practice. Mundwiller mentioned that he used to be PVLs lawyer for 20 years. Some concern about whether we parted ways under a cloud, but Charlie mentioned that there were no issues, just that Mike started getting busier and we needed less legal support than in the past. Mike moved to start using Mundwiller for legal assistance, Charlie seconded, motion carried.

f) Moving money from Legends Money Market Account and Maries County Bank CD

Mike and Gary met with Jason Crowe of Edward Jones to reinvest our reserve account money into higher earning CDs and a longer term SPDR account. We closed out the Money Market account with approx. \$34,361 and added funds from the Operations account to deposit \$145,000 with Edward Jones. Our original strategy was to put \$12,500 into a 3, 9, and 12-month CDs, \$12,500 + \$70K from our operations account into a 6-month CD and \$25,000 into the potentially higher earning SPDR stock account.

Two slight changes to the strategy we discussed last month. (1) We opted to use a bigger initial deposit from the operations account now, rather than wait a month for the Maries County CD to mature in late August. Once that CD matures, Mike will deposit it into the Operations account at Legends, or we would opt to put it into a very short-term CD. The Legends account earns .54% interest, a 3-month CD earns 1.9%

(2) Edward Jones' CDs need to be in multiples of \$1000, so we modified the amounts in the CDs from \$12.5K each to 2 each having \$12K and \$13K respectively.

The SPDR account had an initial buy-in of \$488 so our initial investment was about \$24, 552. As of August 14, at 2:30 PM, the balance was \$24,709 having already earned \$167 in just a few weeks. The CDs are invested and earning as follows: \$82K at 3 months 1.9%, \$13,000 for 6 months 2%, and \$13,000 for 9 months at approx. 2.2%, and \$12,000 for 12 months, 2.45%.

## VIII. New business

**a. Elizabeth Rowe Beach Property Sale.** Elizabeth Rowe has indicated that she is interested in selling her property across from the beach. She's not sure of the price yet, but it'll be somewhere in the \$70K range. She wants to know if Peaceful Valley is interested in purchasing the property. Found out that she may be contemplating turning over the property to PVPOA. Discussion was tabled until Ms. Rowe decides on a way forward.

**b. Reimbursing Tom Bush for his fuel expense—insurance complications.**

Tom Bush makes several rounds throughout Peaceful Valley emptying trash, raking seaweed, opening and locking the lodge, bathrooms, etc. and a variety of other activities. The board approved allowing Tom to "top off" his gas tank every week from the PVL fuel tanks.

**c. Brian Lick Offer.** Brian Lick is a property owner who is currently 2 years in arrears in dues. He has offered to pay this year's dues if we eliminate the previous years' debt.

He's posted the property for sale. It's on an unpaved road near the upper entrance. The board discussed the different options and chose not to accept his offer.

d. **Barbara Sears Offer.** Barbara owns the property next to Brian Lick and called the office on 8/15 and wants to turn the property over to Peaceful Valley. She owes for 2017 and 2018. She's willing to pay closing costs if we waive the dues. The board approved accepting this offer.

e. **Question about selling lots or turning to greenspace.** We have lots that people have turned over to us in previous years upon which we're paying taxes and water availability. In the last few weeks we've had several people call or stop by wanting to purchase a lot. We have 3 types of lots: 1) lots without paved roads or water/sewer access, 2) lots without paved roads with water/sewer access, and 3) lots on paved roads with water/sewer access. The board approved selling the lots but tabled discussion on setting prices until we can determine how many lots we own and where they're located.

d. **Late notices sent to delinquent members.** We sent out late notices to approximately 140 members. With some clean-up and late-paying members, we now show 113 accounts past due. Of these, only 58 owe for this year, the rest are multiple years behind. Most multi-year delinquencies are probably not going to be recovered, but the majority of the 58 and a handful of those that are only 2 years behind we believe that we will recover most of these funds which total about \$24K. To encourage people to pay with credit cards when possible, Gary suggested that we only charge the late fee, which is close to \$50 and not add the credit card fee on top of that fee. The board disagreed with this suggestion, and we will retain adding credit card charges to any fees paid using that method.

e. **Tax Sale scheduled for August 27<sup>th</sup>.**

There are 12 properties on the tax sale list this year. All are in arrears on dues. One property is the Ringeisen house on Circle Dr. We have multiple liens against the property and the collection agency has a garnishment against salary, with only one payment met. Gary spent an afternoon at the courthouse researching liens and will return later this week to complete his research to see which properties have liens against them. The board discussed several strategies on whether to buy any of the properties or let them go to the highest bidder. Charlie moved that we approve authorizing the secretary to bid on third sale properties only if no one else bids, and then only up to the limit of the opening bid amount. Greg seconded, motion approved.

f. **Sandra Powell Property**

Saundra owns a lake side property in the unfinished (east side) of Woodson. She owes over \$16,000 in assessments. She's recently contacted Gasconade County Abstract about possibly turning over the property to her son and wanted to find out if we had any liens on the property. The answer is yes, over \$14,000 worth to date. Since the property is not worth more than about \$1000, Gary suggested to the title company that we may be willing to take the property back if she pays the costs to do so and we would remove all the liens. The board discussed whether to make a similar offer to others under similar circumstances and agreed to review these items on a case by case basis.

**g. Removal of several members accounts and bad debt.**

Gary's research at the courthouse indicated several cases of past members who are showing past debt are either no longer property owners or were billed in error in the year they had sold the property and the new members had paid that year's dues. We will go through each example to determine whether to write off or keep the debt on the books. No action by the board needed at this time.

**h. Accountant and Accounting**

Mike and Gary met with our accountant, Chastity Menz in mid-August to discuss a way ahead on what services Peaceful Valley would continue to need from her. She provided a copy of last year's taxes, which we had requested an extension on during the office transition. We owe no taxes, but our depreciation schedule needs attention. Per the terms of our contract, we were paying Chastity \$250 per month, primarily to process our payroll and submit all the payroll forms to the IRS and State Department of Revenue. The reason for this \$250 charge was that the previous office manager had been computing payroll manually, then turning that information over to Chastity, who would then key that information into her accounting software and then make the necessary payments and file the necessary forms.

Our transition to QuickBooks payroll does all that automatically now plus sends out W-2s to employees at tax time. Also, most of our employees are getting direct deposit so we don't have to write checks for them. The new service costs us \$49.50 per month + \$2 per employee so the monthly charge varies depending on the season. The license for QuickBooks online is costing us \$5 per month. Both the license and the payroll charges are special discounts that Intuit extends to us through its accounting advisors to encourage small businesses to work with an accountant. We're accessing the services through BeanCounter Solutions, who assisted with getting our books straightened out and our payroll set up. The monthly charge for accounting will be between about \$65 and \$80 depending on the number of employees we have at any given time, so starting in August, there will be a monthly accounting charge that will appear in that price range.

We shared what we're doing with Chastity, and we agreed that we no longer needed her services for payroll but would continue to have Chastity do our annual taxes, which cost us \$300 this year and will likely cost about the same next year.

In addition, BeanCounter Solutions suggests that we consider changing our fiscal year to either a calendar year or a July-June fiscal year. The reason why is that a fiscal year starting in March doesn't fit into a logical quarter system. Mike and Gary asked Chastity what she thought about it. She agreed with BeanCounter and stated that our unusual fiscal year causes some bureaucratic problems that could be fixed with a more standard calendar. Mike and Gary discussed the advantages of a calendar year or July-June year. Calendar year is very straightforward but would be too far removed from our annual meeting to have an accurate budget. A July-June year makes some sense as we would have the April vote on assessments under our belts and would have a "real" budget in place when the dues start rolling in. Chastity mentioned that there would be a one-time short-year adjustment both tax- and budget-wise that we would need to do, but it was easy to accomplish.

Carol mentioned that she believed that we would need a 2/3rds majority of the membership to make that change, as our restrictions that were recorded with the county back in 1964 states that assessments are due the 1<sup>st</sup> of March. Gary agreed to research this to determine if that is the case. Discussion tabled on a fiscal year change.

#### **i. Relocation of Burn Pile**

Tom Bush proposed relocating the burn pile by swapping locations with the storage lot. Members have complained that we've run out of space in the storage yard. Tom had originally suggested clearing out trees to expand the lot but the prime lots for expansion are not owned by Peaceful Valley. By swapping the lots, Tom suggests we would have more space that's already cleared and would better accommodate additional storage. Discussion was tabled to allow members to consider the proposal.

### **IX. Formal Complaints**

a) Mike McKee has requested maintenance be performed on Timber Hill Rd. Road needs regrading. Also, culverts clogged. The board agreed to move this project into next year's budget.

b) Susan Krupp sent a note complaining about the siren test on August 5<sup>th</sup>. The Krupp's house is one of the closest to the siren. She requested that we move the siren. Gary replied to her that the siren was placed there because it was the only location that would cover all Peaceful Valley, was on PVPOA-owned property, and was on a high spot so the

sound wouldn't be blocked by hills or trees and that the siren will stay where it is for the benefit of all. No further action required.

X. Building Plans to be approved

- a) None
- b) Request by Water Company to provide them with building plans first so they can determine impact on water/sewer lines before the board reviews and approves. The board agreed with this and will instruct Jessi to pass along building plans to the water company when they come in.

XI. New members to be recognized.

- Ken & Sherilyn Dieckhaus
  - Ken is a long-time owner that turned his property over to his sister. Now he's bought a separate membership with her property

XII. Committee Reports

i. Administrative

a. Office

Covered in earlier discussions.

ii. Operations

a. Roads/Maintenance

Covered in earlier discussion.

b. Security

Complaints about one of the guards not challenging people entering the complex. Kim stated that she had a conversation with the individual to correct this issue.

c. Site Manager

Covered in earlier discussion.

d. Building

Nothing to report.

iii. Members Facilities



a. Lodge

Lodge has seen an uptick in rentals since we lowered the rental fee to \$75. Lodge was booked nearly every weekend in August.

b. Pool

Discussed buying chairs and shade items at end of season closeout sales.

c. Campground

Usage continues to run far behind last years. Several campers have expressed their appreciation that they can come out and find a place to camp now, whereas in past years sites were occupied by campers or RVs with no one actively using the sites.

d. Beautification

Dead trees removed from the lower entrance sign.

iv. Lake

a. Boats

Nothing to report.

b. Fish

c. Weed Control

Added 50 more grass carp to the lake and continued spraying aquatic vegetation all around the lake, especially in the fishing area.

d. Dam

XIII.Adjournment at 11:16 PM