

**INDIAN LAKE CLUB, INC., Indian Lake Estates**  
**D R A F T**  
**Annual Meeting**  
**September 9, 2017**

The Meeting was held at the Lake Toxaway Fire Department and was called to order at 10:05 a.m.

**Presiding:** John McClung, President

**Attending:** Dick Hennig, Vice President, Jeannette Lee, Treasurer, John Pappas, Melba Hernandez, Barbara Pence, Secretary

**Absent:** Michael Gould

The Meeting was opened with a prayer given by Larry Pipkins

**President's Opening Statements**

**State of Community:**

1. The State of Community is excellent. Our finances are sound. We have had another year without any reported security issues. Although we did not continue the road repaving this year, other major improvements to our infrastructure were accomplished. We did begin foreclosure proceedings against one of our homeowners for unpaid assessments. This action resulted in the payment of those assessments plus interest and all associated fees. The homeowners were able to keep their house.

**Good Neighbors:**

2. Please watch out for each other's property especially if someone is gone for an extended period.
3. With the current storm, please check on homes in your neighborhood for damage.

**Real Estate:**

4. It was a good year. Two homes were purchased: Hale and Katheryn Campbell bought the house at 317 Indian Lake Road, Rick and Janet Earl bought the house at 58 Rainbows End. Two lots were purchased with the new owners intending to build: John and Shari Yokley bought lot 9 at the corner of Hiwassee and Tellico Lane and Ric Glass and Diane Budziak bought lot 10 on Rainbow's End. Please welcome them into our community if you happen to meet them.

**Volunteers:**

5. I ask you all to give a big "Thank You" to all of our volunteers who have put in many hours helping to keep ILE as one of the finest communities in Western North Carolina.

**Quorum:** The Secretary advised a quorum has been established with 40 lots represented.

**Minutes:** A motion was made to approve the minutes of the September 10, 2016 Annual Meeting by Everett Bedenbaugh, seconded by John Pappas; the minutes were approved.

**Committee Reports:**

**Water:**

6. Dick reported we had a very good year for the Water Department, with no major leaks; a few on lines going into homes.
7. We replaced the water tank at the lake, it has been repainted, a new roof installed, the inside gutted and new electrical installed. Dick commended the contractor and advised the final bill came in \$6,000 under budget. The total cost was around \$40,000.
8. Five homes were tested for lead and copper at the request of the State and all came back ok.
9. Dick advised that if we lost power during the upcoming storm, we should be ok if we all minimized water usage and stocked up ahead of time. Dave Crocker advised he had a portable generator which could be hooked up to the Toxaway well if needed.

**Community Internet – Everett** polled the attendees as to their internet problems and advised that Comporium has been working with possible line damage. Everett will follow up with Comporium.

**Roads:**

10. Everett thanked Dick for his help on roads and locating snow removal and road maintenance contractors.

**Snow Removal:**

11. Buddy Owen is handling snow removal for the 2016/2017 season. His work has been satisfactory.

**Roadside Maintenance:**

12. Ken Myers of Myers Mowing & Lawn Care was not performing to the satisfaction of the committee or the community. The contract was terminated as of May 31.

13. Yardscape Plus LLC owned by Alex Ingle was located by Dick Hennig. They submitted a bid for the remainder of 2017. John McClung, Dick Hennig and Everett met with him and determined he would do a superior job. They have better equipment and will be more dedicated to the community and are more organized. This service will keep the roadsides neater by more frequent trimming and more timely removal of debris. With several months of experience, the results have been exceptional. The community reaction to their work has been outstanding. They are responsive to requests and conduct themselves professionally.

14. The downside is the new service will cost the community twice as much as Myers. The fee for 2017 will be \$20,767 payable in 7 monthly increments of \$2966.71.

15. **2018 Road Maintenance budget** – Yardscape has submitted a bid for 2018-2019 for \$24,200 plus \$312.50 for cutting of Indian Lake Dam. Everett will continue to solicit bids.

**Paving**

16. No money was provided for paving in 2017. Everett requested the Board consider adding \$30,000 for paving, the request was denied.

17. The committee has asked for \$84,000 for 2018 Budget to pave approximately 3100 lineal feet.

18. The Board voted on a \$50,000 budget conditional on the Dam expense.

The table below was prepared in the spring of 2017 and represents all areas that required repaving at that time. The condition of roads will be reevaluated before bids are requested for the 2018 work. This includes finishing up the major roads and most of the side roads like Mohawk and Sequoia.

In February of March this will be reprioritized as road conditions change. A broken up place on Hiwassee above the Sciullo home may have to be taken up and a new road bed prepared.

## Evaluation of 2018 Paving Needs

Location	Area	Length (feet)	Condition	Estimated Cost
Indian Lake Road	1	60	4	\$1,638
Indian Lake Road	2	50	3	\$1,365
Indian Lake Road	3	270	1	\$7,371
Indian Lake Road	4	420	2	\$11,466
Indian Lake Road	5	240	3	\$6,552
Hiwassee	6	20	Rework	\$546
Cherokee Circle	7	90	4	\$2,457
Cherokee Circle	8	140	3	\$3,822
Cherokee Circle	9	140	3	\$3,822

Cherokee Circle	10	210	3	\$5,733
Rainbow End	11	300	3	\$8,190
Cherokee Circle	12	100	2	\$2,730
Parking pad at Waterfront Park	13	30	n/a	\$819
Qualla Trace	14	130	2	\$3,549
Qualla Trace	15	210	2	\$5,733
Toxaway Trail	16	270	4	\$7,371
Thunderbird Lane	17	240	2	\$6,552
Toxaway Trail	18	135	4	\$3,686
		3055	TOTAL	\$83,402

19. Brian Gorman questioned some of the road washouts on the side of the roads, Everett will investigate. Jeannette questioned tar buildups, however it was discussed that snowplows tend to tear those up as well.

#### Lakes and Dams:

20. **Overview:** John Pappas advised he has a good support group of contractors; Skip Garvey of Mountain Lake and Pond has treated the lake for algae and grass and recommended we add fish to the lake, we added blue gill in Rainbow and Indian Lake. Alex Ingle has done a good job of maintaining the areas around the dams; we just had our third cutting for the year. Danny Whitmire who repaired the construction road to the Dam sprayed the road for weeds and did not charge us for the spraying. Andy Moll, our critter guy who is retired has said he will continue to support our community. A few critters have been sighted but no action taken. Snapping turtles could be a problem. All in all the lakes look good.

#### Spillway Repair:

21. We did hear from DENR, now DEQ (Department of Environmental Quality) and our plans are under review. We received in August questions and feedback from our plans and Medlock Engineering is currently addressing. We believe we will have an approved set of plans this year and the green light to move forward. Our game plan is to delay the repairs until early 2019 and this will allow us to continue paving work in 2018 and manage existing funds as both projects are significant expenses. Until we are approved, it is difficult to get any bids on the work.
22. Foster Lake and Pond has been out to visit and we may use them to manage the work. We will have to install siphons up over the dam to lower the lake as the lowering mechanism does not work. DEQ requires an engineer to monitor the project. We are estimating about \$160,000 but it is a guesstimate. There are environmental regulations regarding the flow of the water as well to keep the fish alive in the creeks below.
23. Ron Acierno questioned the nature of the repairs, duration of the project and asked how far the lake would be lowered. John addressed the specifics. The lake would be lowered 15 feet, secondly the concrete would be sealed with a polymer filling (which DEQ is questioning) and third, the drainage system under the spillway would be revived and pipes which have become clogged would need to be replaced by horizontal drilling and replacement of pipes. Our spillway is designed to have constant water flow; there are four creeks flowing into our lake.
24. Bottom line, we hope to defer the expense till 2019.

#### Architectural Control

25. John reported for Michael that there were some home improvement projects approved by the ACC. Brian Gorman will be a new member of the ACC. Otherwise there was no news to report

#### Beautification

26. Anne thanked her committee members for their service. She advised that consideration was given to changing Wednesday gatherings to Friday which they did for a trial period, but in the end the community voted to go back to Wednesday. Anne thanked Susan Sciuillo for her

coordination of the gatherings. She also noted the park seating was increased as a result of a gift of a picnic table in honor of Bob Gibson, donated by Alice Payne and built by Rosman High School students.

27. Memorial Day picnic was attended by 38 people and was held at the Gorman residence, the Fourth of July picnic was attended by 47 people and was held in the park. Labor Day picnic was attended by 37 people and was held in the park. The Christmas party will be hosted by Pauline and Dick Hennig; date to be determined.
28. Maintenance: Mulch was replaced in the park and spread by volunteers. A front entrance plant was replaced and gravel in the park was replaced and raked. This will be an ongoing issue. The deck was pressure washed as well. The Road Maintenance crew is helping with trimming as needed at the front entrance.
29. Recognition was given to Bonnie Crocker in appreciation for her tireless work on our posters and invitations.

### **Treasurer's Report**

30. Jeannette reported that 2016 finished out the year with income 14% over budget or an increase of approximately \$17,000. This increase came from unexpected past due assessments caught up by members, interest and handling charges and a higher percentage of members paying assessments. Going forward we will see income drop because we are catching up past due accounts. Income will be about \$10,000 less.
31. For 2017 as of month end August, income received is 90% of budgeted amount. Expenses are at 60% of budgeted expenses. We were expecting to pay another \$17,000 for the water tank, but the bill came in under \$9,000. That was our capital improvement for 2017. Current cash on hand is \$216,000. Jeannette anticipates receiving an additional \$15,000 in income, and the payment for the foreclosure will be coming in. Expenses remaining for the year will be at \$60,000.
32. Additional expense for road maintenance of \$14,000 is coming out of reserves. We have nine unproductive properties, six are in bankruptcy; two owned by ILC are listed with a realtor. John advised we are still dealing with that bankruptcy in court. Going forward we are using attorneys to be sure legal issues are being handled correctly which does increase our attorney fees. John also reminded the attendees that we are willing to work with property owners who are having hard times. Jeannette advised we have only two property owners in arrears that might have liens placed on them..
33. Jeannette advised the assessment fees will stay the same at this point. If a reduction is considered in the future it would be for the lot owners first as the homeowners use the water and the roads. The Dam repairs are guessed to come in around \$160,000, but the total expense is unknown. Once road repairs are completed Everett is guessing annual expense for roads would be around \$25,000.
34. Jeannette also advised we are attempting to map our water pipe locations.
35. She also advised we may consider dropping handling charges and interest on installment payments which would help those with multiple lots.

### **2018 Budget**

36. The 2018 Budget Committee consisted of John McClung, Anne McClung, Susan Sciuлло, Don Hair and Jeannette Lee, Chair. Jeannette thanked them all for their work as there were quite a few changes.
37. The Committee decided assessments should remain as they are with improved lots assessed at \$984 and unimproved lots assessed at \$840. Approximately 1/3 of the lots are improved and 2/3 unimproved.
38. Total income expected for 2018 is \$110,112, with nine unproductive properties. We have started rebidding the work for the dam and found prices had increased by approximately 15%. We extrapolated that with our current budget of \$140,000 and increased the reserve for 2018 to \$160,000. This should cover additional work required by the State.

39. Roadside maintenance is jumping from \$10,000 to \$24,000 a year. Additional funds will come from reserves and will not require assessment increases.
40. DEQ has not approved repairs so it is believed the work will start in 2019. As a result, paving will restart in 2018 with a budget of \$50,000, another significant outlay expected in 2019, which should catch up all roads in ILE and maintenance can be pursued. If DEQ approves our plans for the dams sooner, paving could be impacted.
41. We are still on track to review and hopefully lower the assessments.

**Audit Report:**

42. **Gerry Gawronski** sent in the auditor letter stating that the result of the audit is that the data reviewed is complete and correct and there is conformity with the financial statements for the year ending December 31, 2016.
43. The 2017 audit will be conducted by Larry and Sandy Pipkins.

**Results of Voting:**

44. The Secretary reported the results of the voting were that Dick Hennig, Jeannette Lee and John Pappas were re-elected to the Board.

**New Business:**

**Canoe Racks**

45. John reported that The Board had been asked to address the issue of the Canoe Racks. John asked the Community for their input. We have 14 slots. We have no space for another rack in the current configuration; a different design would need to be considered which would hold more canoes and accommodate kayaks, paddle boards, etc. Also there are canoes on the racks that are never used. The usage of the rack has not been regulated in the past.
46. Ron Acierno suggested an annual lottery in two stages; the first for people who not have a canoe this year, and if there are open spots, another lottery would be held for those slots. We would consider the number of requests. Ron also advised he would happy to monitor the lottery.
47. The community discussed usage by renters, upkeep of the canoe area, and possibility of an annual fee to use the canoe rack, a reconfiguration, a Spring cleanup to remove canoes, and then a lottery. Also discussed was the possibility of a space for transient canoes for short term use.
48. A motion was made by Everett to (1) Initiate a charge of \$50 annually for space on the rack (2) Have a spring cleanout of all canoes to be removed by April 15 and a lottery drawing by May 1 with two spots for short term use. The motion was seconded by Ron Acierno. A vote was held and the motion was passed.
49. It was suggested that a \$50 charge be assessed to move the canoes if the owners do not move them. A motion was made by Everett to initiate a \$50 charge to remove a canoe and take it to the owners property if the owner does not remove the canoe; the motion was seconded by Melba, a vote was taken and the motion passed.

**Neighborhood gatherings.**

50. Dave Crocker suggested gatherings be held perhaps monthly in the neighborhood to replace the Wednesday gatherings. The community discussed and decided to possibly initiate in November.

There being no further business, the Meeting was adjourned.

Respectfully submitted  
Barbara Pence, Secretary, ILC.