



BOARD OF DIRECTORS MEETING

January 20, 2024

9:00 A.M. – ACL CLUBHOUSE, 14A457 CANYON CLUB RD, APPLE RIVER, IL 61001

AGENDA

- 1.0 CALL TO ORDER – 8:00 A.M.
- 2.0 EXECUTIVE SESSION – 8:00 A.M
- 3.0 RETURN TO OPEN SESSION – 9:00 A.M.
- 4.0 PLEDGE OF ALLEGIANCE
- 5.0 APPROVE/ADOPT MINUTES FROM THE DECEMBER 16, 2023, BOARD MEETING
- 6.0 TREASURER’S REPORT
- 7.0 COMMITTEE/COMMISSION REPORTS
- 8.0 GENERAL MANAGER’S REPORT
- 9.0 PRESIDENT’S REPORT
- 10.0 ANY ADDITIONS TO THE AGENDA
- 11.0 CONSENT AGENDA
 - 11.1 COMMITTEE/COMMISSION CHANGES
 - 11.2 FOOD & BEVERAGE AD HOC DECOMMISSION
- 12.0 UNFINISHED BUSINESS
- 13.0 NEW BUSINESS
 - 13.1 EMPLOYEE HANDBOOK LANGUAGE CHANGES
 - 13.2 SALE OF DREDGE
 - 13.3 COVE OPERATOR
- 14.0 PROPERTY OWNER COMMENTS (3 MINUTES PER MEMBER)
- 15.0 ADJOURN

PLEASE CALL THE ASSOCIATION OFFICE IF YOU ARE UNABLE TO ATTEND.

Mike Harris, Interim General Manager, ACLPOA

**Apple Canyon Lake Property Owners Association
Board of Directors Meeting Minutes
December 16, 2023**

UNAPPROVED

1.0 Call to Order: 8:00 AM.

2.0 Executive Session – 8:00 AM.

3.0 Return to Open Session – motion to return to open session made by Carmel Cottrell at 9:24 am.

Second by Brian Holt, motion carried unanimously.

4.0 Pledge of Allegiance – after the Pledge of Allegiance, a quorum was present with the following Directors in attendance: Nolan Mullen, John Anderson, Bob Ballenger, Bill Becker, Carmel Cottrell, Brian Holt, Mark Kosco (via Zoom), Debra McNamee, and Laura Pratt. Interim General Manager Mike Harris was also present.

5.0 Approve/Adopt Minutes from the November 18, 2023, Board Meeting – Laura Pratt motioned “to approve/adopt the minutes from the November 18, 2023, Board Meeting.” Seconded by John Anderson. Correction - 6.0 on Treasurers report – Mark Kosco noted that he reported the report would **not** be in *The Apple Core* due to not having updated numbers. Minutes, with correction, approved unanimously.

6.0 Treasurer’s Report – Steve Borst reported on the Treasurer’s Report, filling in for Mark Kosco. Projecting a \$388,000 deficit. Every department balances out and is breaking even except The Cove – \$411,000 loss projection for The Cove. This is not year-to-date; this is a projection. Steve was very impressed with the staff that he worked with on this project. Will work with them to get a year end and have numbers to the Board on a monthly basis.

7.0 Committee/Commission Reports

R&R – Brian Holt reported.

Maintenance – Carmel Cottrell reported they are looking at more information on selling the dredge and looking at a second compactor or bailer for cardboard.

Memorial Pavilion – Carmel Cottrell reported the pavilion is going very well – hoping to be completely done by spring.

8.0 General Manager’s Report - Mike Harris gave an overview of what has been going on over the last 5.5 months he has been there. Memorial Pavilion is finally underway. Main road into clubhouse been repaved. New surface for multipurpose complex. The Cove has been closed for the season and sanitized. New water valve for Lake managing system. Actively interviewing for new GM and making progress. Overhauled finance department. Cutting down invasives and trees around the clubhouse. \$70,000 in grant money was received in the last two weeks. Firehouse roof approved for long awaited repair. Cleaned up the mess at Nixon Beach and Quarry. Zebra mussels have been in a sharp decline. Holiday party for staff reinstated. Payroll transferred to Steve Borst with zero errors, thank you Steve. ACL employee handbook being updated. Vacation and PTO time has been corrected and reconciled. Lake Carroll stated we are far ahead of them in many ways, including financial software and internet. Our lake has been selected for IL High School Fishing Contest in 2025. Ice skating rink set up. 100% of our security cameras are working for the first time. Re-engineering staff to improve efficiency. NorthStar training will start in January. Short term rentals – if we would have done a survey – 3 questions – \$1000 fee, is that the right price to charge? Lower the price? Or drop short term rentals completely? Wonder how that survey would come out.

9.0 President’s Report – President’s Report will be in *The Apple Core*.

10.0 Any Additions to the Agenda – None

11.0 Consent Agenda

11.1 Committee/Commission Changes - Bill Becker motioned “to allow Lynette Swedberg, Kevin Smith, and Ken Menconi to join the Rules & Regulations Commission.” Seconded by John Anderson, motion carried unanimously.

12.0 Unfinished Business

12.1 Annual Assessment - Bill Becker motioned “to adopt the 2024 Annual Assessment of \$1,310.” Seconded by Carmel Cottrell. Raising 5%. Budget process started in June; we did not have year to date actuals then. The actuals in September gave us a completely different picture. Marina for example, changed for the good, that helped. Pro Shop numbers were much better than projected. Motion carried unanimously.

12.2 R&R Budget – Laura Pratt motioned “to adopt the recommended 2024 R&R Budget in the amount of \$601,500 in expenditures.” Seconded by Carmel Cottrell, motion carried unanimously.

12.3 Operating Budget - Carmel Cottrell motioned “to adopt the recommended 2024 Operating Budget with a total revenue of \$5,143,951 and total operating expenses of \$5,143,025 with a transfer to the R&R Fund of \$500,000 and a transfer to the Capital Fund of \$500,000.” This budget is balanced and repays our deficit from 2023. Seconded by Deb McNamee, motion carries with Mark Kosco voting nay.

12.4 Operating & Building Fees – Deb McNamee motioned to adopt the 2024 Operating Fee Schedule and the 2024 Building Fee Schedule, seconded by Carmel Cottrell. Discussion: This is what was published in *The Apple Core*. Bill Becker – should table the short-term rental for this year – not enough data out there. Do we want short-term rentals, how many? Should go to the membership. John Anderson – don’t want to discourage this – they spend money here. Brian Holt – we don’t know how many we have right now. R&R Commission heard from several neighbors of these rental properties; weekends are a nightmare for them. Security issues as well. Need more information in order to understand the problems. R&R is currently working on a registration system for short-term rentals. Mark Kosco – we do have a rule on registering your house if it is a rental property – should look at that. Deb McNamee – initially against this fee but in favor of a registration system. Carmel Cottrell – called around – \$100-\$150 rental fees on average. Carmel Cottrell motioned “to amend the short-term rentals on the fee schedule to **\$200** registration fee.” Seconded by Bob Ballenger. Motion carried on the amendment unanimously. Amended Motion on the table is “to adopt the 2024 Fee Schedules with the amended short term rental fee of \$200.00, rest all the same.” Motion carried unanimously.

13.0 New Business

13.1 Short-Term Rentals – Brian Holt motioned “to approve Recommendation from R&R:

1. The yearly registration fee of \$1000, paid to the Association on or before March 1st. Late fees will apply. 2. Failure to register a rental property will result in a fine of \$2000.” Seconded by Bill Becker.

Brian Holt amended his motion “**\$200 registration fee and failure to register penalty \$400.**” Seconded by Bill Becker. Discussion: Appeal process—same as any other fine. This is not about raising funds, it’s about the registration process. Per occurrence? How are other fines listed—be consistent. Brian Holt further amended his motion to include the penalty of \$400.00 if failed to register, is “**per occurrence.**” Seconded by Bob Ballenger, motion carried unanimously. Motion, twice amended, carried unanimously.

14.0 Property Owner Comments

Ken Johnson 12A128 – Sub-leasing the same boat dock for a few years. On assignment day, a good percentage of people that come to that are turning over the same thing – sign up again for the same sub-lease. We could handle differently. If you don’t want a new dock, should be able to get that assigned ahead of the meeting. Allow people to default to sub-leasing, pay in advance ahead of the meeting, avoid some of the exposure and complications of running that meeting. Approximately 20-30 people just taking the same one. Nolan – was supposed to happen automatically.

Mary Hannon – Who is looking for The Cove operator? Ad Hoc committee set up? Zooming process is terrible. Use microphones always. We are interested and involved volunteers.

Ron Carpenter – 11247 – Thanks to all volunteers at this organization. How many volunteer hours are spent – would be interesting to know. Complaint today – timing of these Property Owner Comments at the end of the meeting. Items on the agenda that people would like to talk about and not given the opportunity.

Diane Carr 2A29 – Agree with Deb’s comments about getting facts and numbers we need about the Pro Shop. We had an opportunity to have a consultant do that for us. What we were going for.

Okerman 6A17 – Josh and I are avid travelers – our budget is revisited monthly. We wanted a space to take our kids, and build space, etc., so we checked out different lake communities. Found ACL and loved it. To make this sustainable, we wanted to rent out house out. Followed all of the processes.

Concerned about the fee of \$1,000 – very grateful for the fee change. Would love to be part of a subcommittee putting together the registration processes.

LeAnne Killeen 12A62 – Would like to see a paper property directory come out, or on NorthStar. Use my old the paper directory a lot—part of Recreation Commission to find volunteers. Please consider doing another paper directory.

Henry Doden – 13A129 – On the internet, click on something and it told me there were 411 rental properties at ACL. The Board has to remember that everybody shares equally at running the place. Problem – some are worth more; the stakes are not the same. Agree with Ron – Property Owner Comments should come before the items on the agenda so they can be addressed.

At 10:42 AM, motion to adjourn by Mark Kosco, seconded by John Anderson. Motion carried.

Recording Secretary, Rhonda Perry

President, Nolan Mullen

Corporate Secretary, Laura Pratt

Date



Memorandum

To: Board of Directors

Date: January 12, 2024

From: ACLPOA

Memo: 2024-1

Topic: January Consent Agenda – Committee/Commission Changes

Recommendation: To allow Therese Nelson to join the General Manager Search Ad Hoc Commission; to allow Sue Meusel to join the Employee Handbook Commission; and to allow Rick Schaschway to join the Campground Commission



Memorandum

To: Board of Directors

Date: January 12, 2024

From: ACLPOA

Memo: 2024-2

Topic: January Consent Agenda – Food & Beverage Ad Hoc

Recommendation: To decommission the Food & Beverage Ad Hoc Commission.



Memorandum

To: Board of Directors

Date: December 14, 2023

From: Employee Handbook Ad Hoc Commission

Memo: 2024-3

Topic: Language Changes in Items 6.2 Personal Time Off and 6.3 Holiday Time Off

Issue: The current language in 6.2 Personal Time Off and 6.3 Holiday Time Off, adopted by the Board of Directors on February 18, 2023 has caused confusion amongst the employees, inaccuracies in the Paylocity software in recording the employee's paid time off, and lack of fairness for some employees. Steve Borst, who has been managing the Paylocity software, did an accrued time off audit with each employee and found problems in the way the software was set up. Corrections have been made in the software but the use of three paid time off floating holidays cannot be calculated by the software. A motion was made by Jody Ware and seconded by Mike Harris to eliminate the floating holiday language.

Recommendation: To make language changes to 6.2 Personal Time Off and 6.3 Holiday Time Off stating an employee will receive eight (8) days of PTO and eliminate the terminology of floating holidays.

6.2 Paid Time Off

Effective Date: February 18, 2023

Revision Date: February 18, 2023

Paid Time Off (PTO) begins accruing on the date of hire (anniversary date). Eligibility to use or receive any PTO is 90 days of continuous employment from the date of hire. PTO will not accrue if the employee is off due to illness or injury resulting in worker's compensation or disability claims.

PTO will accrue in 2 forms, Vacation Leave and Personal Leave. Both accruals are determined by the number of continuous years worked for the Apple Canyon Lake Property Owners' Association. Vacation Leave accrual balances will be paid at termination, Personal Leave accruals will not.

Vacation Leave

All regular (non-seasonal) employees are entitled to paid vacation leave at a the rate listed below.

For full-time and part-time year-round employees, the rate of accrual increases on the anniversary date of employment as follows:

- Date of hire and up to 1 year – Accrue up to 40 hrs annually (.019231 per hour worked)
- One year but less than five years – Accrue up to 80 hrs annually (.038462 per hour worked)
- Five years but less than ten years – Accrue up to 120 hrs annually (.057693 per hr worked)
- Over ten years – Accrue up to 160 hrs annually (.076924 per hour worked)

Up to 40 hours may carry forward to be used within the 1st month of the subsequent anniversary year. Failure to use the hours will result in forfeiture. In addition, no payouts will be authorized as employees are not rewarded for failure to use accrued vacation hours in the year they were earned. In certain circumstances, the General Manager may authorize vacation time prior to full accrual.

Personal Leave

All employees, regardless of employment type, will accrue 76 hours of Personal Leave per anniversary year, which is the annual equivalent of 9.5 days for full-time employees. Personal Leave may be used as deemed appropriate by the employee and their supervisor for doctor appointments, personal days, sick time, caring for a child/parent/spouse, etc.

Employees do not have to provide any reason for taking this leave and are not required to provide documentation. However, if the leave is foreseeable, we ask for notice 7 calendar days prior to scheduling.

6.3 Paid Holidays and Holiday Pay for working on recognized Holidays

Effective Date: February 18, 2023

Revision Date: February 18, 2023

Paid Holiday Time Off

The Association offers 9 paid holidays per year for full-time employees only as follows:

New Year's Day
Memorial Day
4th of July
Labor Day
Veterans Day
Thanksgiving Day
Christmas Eve
Christmas Day
New Year's Eve Day

Holiday pay for hours worked on these days will be paid as follows:

- Regular Part-time employees will be paid time and one-half (1-1/2) their normal rate of pay for actual hours worked.
- Seasonal employees are not eligible for holiday pay.
- Full-time non-exempt employees will be paid double their normal rate for actual hours worked.
- Exempt employees are not eligible for holiday pay, rather will earn floating holiday hours equivalent to 2 times the hours worked to be used within 30 days of the holiday.

Paid holidays missed or accrued are not eligible for payout upon termination.

Holiday Observance Days

When holidays fall outside of normal operating hours, the General Manager may select an observance day in which eligible employees will receive a paid holiday.

When a normally scheduled holiday or the holiday's observance day falls outside of an employee's work schedule, they are entitled to an alternate floating holiday to be taken within 30 days of the holiday.

Employees may carryover Personal Leave accruals up to 1 year after their anniversary date and employees who are rehired within 12 months will have their accrual balances restored (although it will retain the original deadline to use the accrued time).



Memorandum

To: Board of Directors

Date: January 12, 2024

From: Maintenance Commission

Memo: 2024-4

Topic: Sale of Dredge

Issue: Standing equipment not being utilized by ACL.

Board of Directors Recommendation: To sell the dredge and advertise with Dredge Broker.



Memorandum

To: Board of Directors

Date: January 12, 2024

From: Mike Harris, Interim General Manager

Memo: 2024-5

Topic: Cove Operator

Issue: There's no current lessee for The Cove.

Board of Directors Recommendation: Approve the _____
operator to run The Cove from 2024 – 2026.