Season Wrap-up

The Board of Trustees had their annual fall budget meeting. The Board voted in the 2018 Operating Budget and levied the new water line assessment, as discussed and voted on at the Annual Meeting. Each cottage has been levied a $15,000 assessment.

The water line assessment information is also being mailed hardcopy to the primary leaseholder at each of the 48 cottages. Each cottage may select the installment method they can pay, and are asked to return their selection by October 31st, 2017.

The Board has great faith in the goodness of this community and in our members to contribute at their highest comfort level. Most everyone here has a Heidelberg Beach legacy, and understands that we are a neighborhood with shared values, a shared love of this special place, and a shared desire to be the best stewards in caring for and maintaining our property.

Doing so will help everyone move forward, and in the kindest way possible, help those that truly need the assistance. As was said at a recent Pavilion service, the “outside world” is chaotic enough, we all sincerely need the respite we find here. Gratefully, more than not, being here at Heidelberg Beach brings out the better angels of our nature.

Jane & John

2018 Heidelberg Beach Family Reunion

The Board of Trustees is trying a new idea. In 2018, we are planning a reunion for our Heidelberg Beach family members at the start of the beach season. The reunion gathering will be May 19-20th, which is the weekend before Memorial Day.

The beach cleanup time will be reinstated as a group activity. The official time will be from 9 AM to Noon on Saturday. Since the presumption is most people will be around throughout the weekend, if the weather is inclement, the beach cleanup can be done in between the raindrops. Carol Dunkle, Dean Smith, and the Foote family will lead this event—Aaron Hamilton and Scott Welch will also have supporting roles in the organization and work planning.

At 1 PM on Saturday the community will gather for a lunchtime potluck.

The first Board Meeting of the season will be held at 3 PM.

Other committees and clubs may also schedule their meetings during this weekend.

The hope is that our members will reunite and catchup from being apart over the winter—share some work—share some food—share some planning for the season—get our cottages in shape—all ahead of Memorial Day weekend when most families gather for their own time together.

Please mark your calendars for May 19-20th for the 2018 Heidelberg Beach Family Reunion Weekend!

Cottages for Sale

- Valerie & Mike Murray are offering their cottage at 8 Pennsylvania for sale. Asking price is $250,000. Please contact Valerie at (440) 336-1073 for details and further information.

- Roger Nehls is offering his cottage at 76 Indiana for sale. Asking price is $375,000. To see the listing, go to the Howard Hanna Web Site or contact Tom O’Dougherty at 216-978-7878.

Carolyn Leitch Passed Away

Carolyn Leitch (92 Ohio) passed away August 14, 2017, after enduring a 5-year battle with Multiple System Atrophy. MSA is a rare sporadic progressive neurological disorder.

Carolyn battled bravely, and with her characteristic wit. We are heartbroken at this devastating loss for their whole family—Dick, Nick, Haley, and all in the Castele and Leitch families. Dick and his family continue to be in our thoughts and prayers.
Condolences to the Richardson Family
Barbara Richardson (1 Pennsylvania) passed away on August 23rd, 2017. Our thoughts and prayers to Bill and Dora, and the whole Richardson family.

Boat House Refurbishment
Many volunteers have put in weeks of hard work to refurbish the Boat House. They strengthened the foundation; replaced some of the flooring; and re-sided, primed and painted the exterior west wall.

Dean Smith, Carol Dunkle, Don Bratton, Jan Peer, Aaron Hamilton, and many others helped with this project—thank you!

Paintings by Mary Border
Mary Border (10 Pennsylvania) is now offering to do custom paintings of your pet based on a photo.

She is also offering to do winter or Christmas-scene paintings of anyone’s cottage.

Contact Mary Border at (786) 999-3032 or themfiles1@aol.com.

Gator on the Beach!
Harvey Foote is feeling much better and is enjoying being active again. Here he is grooming the beach with his gator.
Summer Sailing Lessons
Susan Foote has been giving Bill Nightingale some sailing pointers this summer while Donald Bratton snapped photos.

Margard/Nightingale Wedding!
Joan Margard (22 W. Virginia) and Bill Nightingale we married on Saturday, July 15th in Columbus. Congratulations, Joan and Bill, and best wishes for many, many happy years together!

Tom Fahrlan visits
Tom Fahrlan was in town from Tennessee for a 50th High School reunion. His grandfather owned Harvey Foote’s yellow cottage (47 Kentucky). He and his cousins spent summers here; he used to love fishing with his grandfather.

Tom is pictured here visiting David Rohrbaugh (30 West Virginia). (Tom left, David right).

Minutes for the Heidelberg Beach Board of Trustees Meeting
August 19th, 2017

Present: Jane Chidester (President), Tom Eshelman (Secretary), Mary Chidester (Real Estate), Jack Corrigan, Carol Dunkle, Richard Henderson, Claudia Springer, Scott Welch.

Absent: Dick Castele (Treasurer), Aaron Hamilton, Jan Peer, Barbara Weber

Opening Prayer: R. Henderson

Treasurer’s Report:
• Karl and Susan Volk attended part of the meeting via phone and received their new member orientation.
• A motion passed (M. Chidester/R. Henderson) to approve Karl F. Volk and Susan F. Volk as new members of the Association and to authorize the President and Secretary of the Association to execute any and all documents required to effectuate the transfer of Lot 6 & and the northerly one-half of Lot 7, known as Lot 7B on Pennsylvania Road, including but not limited to the termination of the existing lease to Herbert B. Foote and Kathleen M. Foote and issuance of a new lease to Karl F. Volk and Susan F. Volk.

Business:
None.

Next Meeting: Sunday, September 3, 2017, at 7:00 PM.
Respectfully Submitted,
Tom Eshelman
Secretary

Minutes for the Heidelberg Beach Board of Trustees Meeting
September 4th, 2017

Present: Jane Chidester (President), Claudia Springer (VP), Tom Eshelman (Secretary), Dick Castele (Treasurer), Mary Chidester (Real Estate), Jack Corrigan, Carol Dunkle, Aaron Hamilton, Richard Henderson, Jan Peer, Barbara Weber, Scott Welch

Absent: None

Opening Prayer: Rev. Richard Henderson

Approval of prior Meeting Minutes: Motion passed (Eshelman/Welch) to approve the minutes of the previous three meetings:
Select Executive Committee:

- Automatic members of the Executive Committee are: president, vice president, secretary, treasurer, and real estate officer. Two others must be elected from the Board.
- A motion passed (Springer/Hamilton) to elect Scott Welch and Carol Dunkle to the Executive Committee.

Treasurer’s Report: no report

Business:

- Several topics came up during an open discussion:
  - Should we try to get more first-time people on the Board in the future?
  - Should we put specific Board members in charge of follow-up on specific task list tasks?
  - Tom should send out task list reminders as in past years.
  - How should we be documenting “institutional knowledge”.
  - Some poisonous plants were found along the creek. Selective spraying will be done and the creek bank will be cut back annually each fall when the beach bank is cut.
  - With respect to infrastructure projects:
    - The Board has a responsibility to use bonded and licensed pros.
    - A “design-build” approach is not appropriate for our large infrastructure projects. A “design-bid-build” process must be used.
    - The Board must look forward and not just react to infrastructure problems.
    - The Board has scaled back considerably from the original concept of doing water, storm sewers, and sanitary sewers.
    - Some feel sanitary sewers should be done before water lines, but others oppose this.
  - If new water lines can be bored under the grass paths it is hoped that any future sewer projects will not be impacted by the water lines.
  - The Board received a letter from Henry Kishman, a lawyer for Valerie and Mike Murray. It stated their objections to the proposed water line replacement project, e.g. cost to leaseholders, the process used to obtain project estimated cost, the need to safeguard and segregate project funds, questionable Board procedures. It admonished the Board to consider these objections and follow the by-laws.
  - A motion passed (Welch/Hamilton) to send a reply letter. It reviews the history of the infrastructure investigation which resulted in the approval at the 2017 Annual Meeting of a proposal to move forward with just replacing our water lines. It stresses that quorums have been present at all meetings and the by-laws have been followed.
  - The proposed water line assessment method was discussed. Note: Posted Assessment Method Summary on the Web Site. Multiple payment plans will be offered to leaseholders.
  - The possible effect of bankruptcies was discussed.
  - The Board is considering an option to hold infrastructure funds in a separate savings account and have checks above a certain dollar figure to require two signatures.
  - A motion passed (Springer/Weber) that Jack Corrigan will pursue addition of a fidelity/bond rider (on the Treasurer) to our insurance policy.
  - The possibility of non-payment was discussed. The plan is to pursue legal remedy if that occurs.

Real Estate Report: Mary Chidester

- The Foote cottage sale to the Volks is complete.
- The Warder’s lease change is complete.
- The Leahy’s new lease is in their hands for signoff.
- The Murrays were informed of the Lease Transfer procedures. Note: Posted Summary of the Lease Transfer Process on the Web Site.
- A motion passed (Peer/Castele) to authorize a few more hours of attorney time to review our 2017 Binding Resolution.
Next Meeting: September 30 at 10AM.

Respectfully Submitted,

Tom Eshelman
Secretary

Minutes for the Heidelberg Beach Board of Trustees Meeting September 30th, 2017

Board: Jane Chidester (President), Tom Eshelman (Secretary), Dick Castele (Treasurer), Mary Chidester (Real Estate), Jack Corrigan, Carol Dunkle, Aaron Hamilton, Richard Henderson, Jan Peer, Barbara Weber, Scott Welch

Absent: C. Springer

Called to Order: 10:05 AM

Opening Prayer: Rev. Richard Henderson

Approval Vote for prior Meeting Minutes:

A motion passed (Welch/Hamilton) to approve the minutes of the September 4th Board Meeting.

Infrastructure:

- The Board discussed the proposed 2017 Binding Resolution and Letter to Membership.
  - OHM suggested that the community should have $500,000 on hand before the design work begins. Does it tie our hands to state this as a requirement in the 2017 Binding Resolution? The consensus was that it should be kept in the resolution so that we all have a common understanding of when work will begin.
- A motion passed (Corrigan/Weber) to approve the 2017 Binding Resolution and letter: 1) the 2017 Binding Resolution to levy an assessment in the amount of $15,000 per cottage for the Infrastructure Reserve and 2) the Letter to Membership describing the associated payment plans. The vote was unanimous.
- The 2017 Binding Resolution is attached as Exhibit A.

Real Estate Report:

- Leahy lease documents are ready for officers to sign.

Treasurer’s Report:

- A letter was received from Jack Corrigan that the annual audit of the Treasurer’s books was completed and no problems were found. A motion passed (Peer/Henderson) to approve the audit letter.
- Changes were proposed to the 2018 budget:
  - The Miscellaneous Grounds expense line (100.00) will be combined with the Beach and Bank Maintenance expense line ($700.00) and labeled Miscellaneous Grounds.
  - The Road Reserve expense line ($3,670 per year for the last 11 years) was reduced to $1000 for 2018.
  - $500 is estimated by M. Chidester for the Legal expense line in 2018.
- Changes were proposed to the Summary of Cash and Reserve Activity:
  - The Creek Reserve (1,863.75) will be combined with the Donation category ($287.83) and renamed the Grounds Reserve. It will be used for the annual entrance landscaping expense.
- A motion passed (Corrigan/Henderson) to approve the 2018 Budget with the proposed changes and a resulting Total Operating Expenses of $41,920.

Business:

- Scott Welch and Aaron Hamilton will lead a work day the weekend before Memorial Day - Saturday, May 19, 2018. A community potluck is planned for 1:00PM. A Board meeting will be held at 3:00PM.
- A motion passed (Dunkle/Hamilton) to add Jack Corrigan as an authorized signer on our Heidelberg Beach checking accounts.
- The snaking of West Virginia will be done in Spring 2018.
- Septic tank cleaning is now being done annually.
- Tom Eshelman will pursue replacing our basketball rim and backboard.
- The meeting was adjourned at 11:38AM (Henderson/Dunkle).

Next Meeting: Saturday, May 19, 2018 at 3:00 PM.

Respectfully Submitted,

Tom Eshelman
Secretary
## HEIDELBERG BEACH ASSOCIATION
### APPROVED BUDGETED OPERATING EXPENSES
For the period July 1, 2017 through June 30, 2018

<table>
<thead>
<tr>
<th>Operating expenses:</th>
<th>Approved Budgeted Expenditures '17 - '18</th>
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</thead>
<tbody>
<tr>
<td>Street Lights</td>
<td>600.00</td>
</tr>
<tr>
<td>Mowing</td>
<td>10,400.00</td>
</tr>
<tr>
<td>Road Reserve</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Grounds</td>
<td>800.00</td>
</tr>
<tr>
<td>Trees</td>
<td>9,600.00</td>
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<tr>
<td>Water</td>
<td>7,400.00</td>
</tr>
<tr>
<td>Snow Removal</td>
<td>650.00</td>
</tr>
<tr>
<td>Refuse Collection</td>
<td>2,200.00</td>
</tr>
<tr>
<td>Communication</td>
<td>1,100.00</td>
</tr>
<tr>
<td>Postage, office supplies, etc.</td>
<td>200.00</td>
</tr>
<tr>
<td>Insurance</td>
<td>2,200.00</td>
</tr>
<tr>
<td>Legal</td>
<td>500.00</td>
</tr>
<tr>
<td>Prior year income taxes</td>
<td>70.00</td>
</tr>
<tr>
<td>Common Property RE Tax</td>
<td>5,200.00</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td><strong>41,920.00</strong></td>
</tr>
</tbody>
</table>

- Prior year actual was $542
- 25 mowings / leaf mulching at $385 per mow plus sales tax of 7.25%
  (25 mowings last year, range last 5 years 23-25 per year)
- Prior year was $3,500
- Last 3 years averaged $862
- Same as prior year budget; prior year actual was $9,714
  actual to date is $1,841
- Used 3 year average of $7,336 rounded; prior year actual was $6,865
- Used 5 year average of $650; prior year actual was $0
- Per contract; prior year actual was $2,063
- Communication of $300 (last year $286); $800 5 year Web Hosting service
- Used 5 year average of $200; prior year actual was $196
- Prior year actual was $1,858; additional $294 for $500,000 Fidelity Bond
- Actual
- Prior year actual was $5,135; county has yet to assign any new values if any
- Prior year budget of operating expense was $43,280

Other financial items approved:

- Combine the "Creek Reserve" of $1,863.75 and the "Donation Reserve" of $287.83 and rename as "Grounds Reserve"

Funds for the spring cleanup of the entrance landscaping will be taken from the new "Grounds Reserve"

Funds for the annual snaking of the West Virginia sewers will be taken from the "Infrastructure Reserve"
2017 Binding Resolution of the Board of Trustees of the Heidelberg Beach Association

Resolved,

1) The Board hereby levies an assessment in the amount of $720,000 for the primary purpose of funding the “Infrastructure Reserve” fund.

2) The Board of Trustees is levying this assessment for the primary purpose of maintaining, repairing and replacing the private water lines and infrastructure servicing Heidelberg Beach in approximately 5 years (2023).

3) This assessment is based on an estimated figure in 2017 dollars provided by the civil engineering firm OHM Advisors. The exact cost of the project will be determined after the detailed design phase, which will be implemented once the “Infrastructure Reserve” fund contains a minimum of $500,000 (estimated to be in approximately 3 or 4 years).

4) If the project cost is higher than estimated, an additional assessment or assessments will be levied.

5) If the project cost is less than estimated, the excess funds collected (or to be collected from those on payment plans) will remain in the “Infrastructure Reserve” fund for future repair or replacement projects.

Further Resolved and Reaffirmed,

1) This “Infrastructure Reserve” shall be collected equally from each of the 48 cottage leaseholders. Therefore, this is an assessment in the amount of $15,000 per cottage.

2) This assessment may be paid in installments. The requested and standard installment is $3,000/year for 5 years (the “Standard Installment”). If you can remit at a faster rate, it will help the community begin the detailed design phase faster and potentially also get the project started faster.

3) The minimum installment is $1,000/year for 5 years and then $2,000/year for the following 5 years. The full $15,000 assessment per cottage must be paid in full within 10 years. Paying at this rate is a privilege extended to existing leaseholders as of the date of the approval of this resolution.

Further Resolved, in accordance with our lease, any transfer of a leasehold interest requires the consent of the Board. If a leasehold interest in a cottage is sold during the time that installments are being collected for that cottage, all assessments due through the year of closing must be paid up to the level that would have occurred by remitting the Standard Installment (the “Make-up Installment”), and the new leaseholder(s) will be required to pay the Standard Installment going forward. The buyer and seller may determine who pays the Make-up Installment, so long as the Make-up Installment is remitted to the Association at closing. In the event this does not occur, the new leaseholder shall assume the remainder of the unpaid assessment. If a cottage is transferred to a family member (due to the death of a leaseholder or otherwise), the minimum payment plan noted above will be allowed to continue.

Further Resolved and Reaffirmed, the “Infrastructure Reserve” may only be used for any or all of the following purposes: maintenance and repair of existing water and storm sewer lines; replacement of existing water and storm sewer lines; addition of sanitary sewer lines and a pump station; road repair or replacement as a result of work done; road repair or replacement as a necessity of age; and/or fees for professional services, such as engineers, consultants, or attorneys, including costs of enforcement and collection of assessments.

Further Resolved, the Association has the right and responsibility to hold funds in reserve for the repair and replacement of the Heidelberg Beach infrastructure.

1) The Board of Trustees shall obtain a Fidelity Bond in the amount of $500,000 covering policyholders (the Association members) against losses from fraudulent acts by the Board. The estimated initial annual cost for such coverage is $294.00 per year.

2) The Treasurer shall segregate the “Infrastructure Reserve” from normal operating funds. Any investment of any portion of this reserve is limited to an account with no risk of capital loss (i.e. savings account or certificate of deposit) and shall require prior approval by the Board.

Further Resolved, once the “Infrastructure Reserve” fund accumulates more than $500,000, the Association will contract with a civil engineering firm to begin the detailed design.

Further Resolved, if at any time, new information comes to light that would change the direction or scope of the Association’s plans, the Board of Trustees shall have the right to reevaluate the Association’s course of action. The Board may respond with a modified plan to address changes desired or required to comply with any federal, state or local law, rule, regulation or ordinance or to address issues that arise during the detailed design phase that might change the planned approach. Any substantial changes to the Association’s plans will be communicated to the members at a community meeting, and unless the change is required by applicable law, rule, regulation or ordinance, it will be put to a community vote.