



QUESTIONS ASKED

Newsletter – February 12, 2015

This newsletter is provided by the AGRED Foundation in order to further clarify and reiterate answers to questions raised by interested Lake Erling Community leaders. The AGRED Foundation will continue to preserve the wildlife habitat and wildlife to the best of the foundations ability in compliance with our mandate.

Questions are highlighted in **red** followed by the corresponding answers in black font:

1. **“AGRED has three board members. We know of both Eric Fletcher and Daniel Thomas, but who is the third board member?”**

Mr. George McGovern was elected as our third director on July 8, 2014. He is a very reputable registered CPA. He is responsible for advising and ensuring that The AGRED Foundation is compliant with all financial regulations pertaining to non-profit organizations.

2. **“With regards to easements and existing structures, will anything be grandfathered in that was in place prior to Lake Erling being donated to the AGRED FOUNDATION?”**

Regarding easements:

The AGRED Foundation honors all prior existing easements. Property owners are given the opportunity to provide documentation to AGRED indicating what easements they may hold at the time of issuing the permit and easement applications.

Regarding structures built on AGRED property:

Structures, old and new alike, constructed or placed on AGRED property that are not specifically allowed by a recognized easement will require a permit which may be obtained from the AGRED Foundation.

3. **“Eric Fletcher, Daniel Thomas, and George McGovern will make all decisions relating to the AGRED Foundation?”**

This is true. The board of directors of the AGRED Foundation currently consists of three members. These members have the significant task of conducting both the legal and financial responsibilities of the organization. The current directors strive daily to administer these duties to the utmost of their abilities with the core values and guidelines of the AGRED Foundation as their guideposts.

4. **“Does the AGRED Foundation have bylaws?”**

Yes, and these were submitted to the IRS.

5. **“Where did the facts come from noted in the last newsletter regarding fees?”**

The facts about other lake fees for docks, seawalls, etc., came from several different sources:

- As noted in the newsletter, the information on Cypress-Black Bayou came from an October 13, 2014, interview with Erin Buchanan of KTBS 3 News (<http://www.ktbs.com/story/26776222/funding-renewal-for-cypress-black-bayou-recreation-area-on-this-years-ballot>), as well as the Cypress-Black Bayou Recreational Park website

(<http://www.cypressblackbayou.com>), and phone calls directly to the administration office for the reservoir (318-965-0007).

- Information on Cross Lake was found on their website (<http://crosslakeshreveport.com>), as well as calling their office at 318-673-7647 (<http://www.shreveportla.gov/index.aspx?NID=478>).

- Information on Lake Hamilton/Lake Catherine was found on their website (<http://local-buildingpermit.com/LakeHamiltonArkansasBuildingPermit>), and the 32-page application was found at (http://www.entergy.com/content/operations_information/hydro/pdfs/Single_Family_Dock_Application_Packet.pdf)

6. “How are people being kept updated on AGRED plans?”

Regular newsletters, such as this one, are made available to the public and all those interested in the progress the AGRED Foundation is making on the lake. Members of the foundation are available to the public through direct contact if necessary, which is one of the reasons we have an office. Rent for this office is paid for by Eric Fletcher personally. These costs are not included in AGRED’s expenses.

7. “Can you provide a financial overview of the costs associated with maintaining Lake Erling, and AGRED’s proposed 2015 budget?”

In 2014, maintenance and organizational expenses relating to Lake Erling amounted to \$133,990.49. During that year, \$22,861 was collected from annual Lake Easement and annual Land Use Permit fees; likewise, \$5,961.96 was received in donations from generous landowners. We are extremely grateful to those of you who understand that it takes money to ensure we have a lake for generations to come. Donations are something we truly appreciate and there are many generous folks who would like to contribute to the foundation. However, given the negative publicity generated by social media there are many who are unwilling to donate. The costs associated with maintenance of the lake are significant and The AGRED Foundation simply cannot rely on donations to assure the lake is self-sustaining at this time or into the future... As a result, we have implemented the easement and permit system which is within our legal means and adds some degree of assurance that at least a portion of the necessary funds are raised each year. The sale of boat decals will also go towards assisting AGRED in raising additional funds for the maintenance of the lake. It is too early to forecast, at this point, what level of funds will be generated by this program.

Daniel Thomas and Eric Fletcher, two directors of The AGRED Foundation, personally contributed \$113,574.92 collectively, to cover the balance of the expenses incurred including startup costs related to the transaction between IP and The AGRED Foundation. Of the \$113, 574.92 contributed by directors, \$41,494.56 was donated in 2013 for expenses, and \$72,080.36 was donated in 2014 by the directors. The balance of funding required came from two small lots the foundation was able to sell at well above current land prices and from timber sold from the AGRED Foundation property.

The 2015 budget is \$146,000, just as it was for 2014, which is the same as what the directors pledged at the meeting held May 8, 2014. Expenses for 2014 were excessively high and we were unable to put any funds into a savings account. 2014 expenses were mostly related to organizational costs and maintenance. This year, organizational costs will be significantly reduced because we now have built the database required to manage the lake; however, maintenance costs continue. Furthermore, the AGRED Foundation must begin to develop a cash reserve for a significant, known expense that will occur in 6 years. As announced through newsletters, the gates on the water control structure will need to be changed. They have outlived their expected life span by almost 12 years, and have corroded to the point of needing replacement. The estimated cost of this is going to be close to \$500,000, according to engineers familiar with such operations. The gates are currently holding up but based on the inspections done in 2013 it was determined that these gates are going to need to be replaced. This is something we will for obvious reasons try to prolong as much as possible.

The AGRED Foundation and its directors are striving to make Lake Erling a sustainable lake for all of the public to enjoy. The directors of AGRED receive NO compensation for what they do for Lake Erling and the foundation, despite spending countless hours organizing and managing this asset that belongs to The AGRED Foundation, from which many people benefit. The directors would like to thank all of AGRED’s supporters for their time and continued support.