

**Minutes of the Lake Arrowhead Property Owners Association
Board of Directors Meeting
May 4, 2019**

-The meeting was called to order at 8:59 by board member Ron Race Jr.

-Attendance: Pres. Cory Ames, Vice Pres. Ron Race Sr., Treasurer Judy Race, and Dana Stubli were all excused. All other board members were present and we had a quorum. Contractor Tim Wheaton was excused.

-Minutes: Tom Rozycki moved to approve the minutes of the February 2, 2019 board meeting as presented. Carolyn seconded the motion and it passed unanimously.

Treasurer's Report: On behalf of Judy, Mary reported that in order to pay all the bills at the end of the fiscal year. Judy had to borrow funds from the forestry fund. She has not paid that back. If we want it repaid, we will probably run short for this year.

-The board approved a contract for road and park repairs at the Merry-Go-Round Park. Silt from washouts is affecting lake quality. This expenditure was not in the budget. Judy would like clarification. Does she have permission to pay for the repairs from the lake fund? The consensus was that permission has already been given to Judy to use lake funds for the repairs.

-Credit card fraud: Mary explained that around 5a.m on a morning in March, she noticed that there were numerous recurring \$3 "payments" made to LAPOA via an obviously fraudulent credit card. Transactions were happening every few seconds. Mary reported that she attempted to put a stop to the transactions but they kept going for several hours. There were more than 80,000 fraudulent transactions. A few went through and were later removed. The computer generated transactions changed the charge card number each time. Judy requested that First Data/Payeezy remove all the charges but they indicated that they have to investigate each one. The big issue is that one of our credit card fees is a .10 per transaction fee. In this case we were charged approximately \$8000. Judy is working with First Data, and the bank to get all charges removed, but it is a slow process and they are not promising a satisfactory resolution for us. First Data set up the site and security is through them. They have since increased security by adding a "I am not a robot" and scrambled letters to the page. We do not know why that was not done from the start. Judy will continue to work on this and contact our lawyer if charges are not removed.

-Mary distributed the "Profit & Loss Budget versus Actual" 2018-2019 and "Year End Cash" financial reports that Judy had prepared as well as the "Profit & Loss Budget versus Actual" report for our current fiscal year.

-Contracts: Prior to the meeting, Judy distributed the proposed contractor contracts to all board members with no changes to the hourly rates.

-Tom Rozycki moved to approve the Roads, Grounds, and Equipment Maintenance contract with Tim Wheaton. Buddy Pardo seconded the motion and it passed unanimously.

-Carolyn Wright moved to approve the Building Maintenance contract with Ron Race Sr. Marcia Schick seconded the motion and it passed unanimously.

-Mary Davignon moved to approve the Financial Agent contract with Judy Race. Tom Rozycki seconded the motion and it passed unanimously.

-Ronald Race Jr. moved to approve the Office Manager contract with Mary Davignon. Buddy Pardo seconded the motion and it passed with Mary Davignon abstaining.

-Mary Davignon moved to approve the Campground Manager contract with Marcia Schick. Tom Rozycki seconded the motion and it passed with Marcia Schick abstaining.

-Mary Davignon moved to approve the Campground Shoulder Season contract with Dale Davidson. Connie Stubli seconded the motion and it passed unanimously.

-Tom Rozycki moved to approve the shared Pool Manager contract with Veronica Johnston and Ron Race Sr. Marcia seconded the motion and it passed unanimously.

Collections: Mary reported that we have had some dismissals because we were unable to locate and serve the Dana is no longer serving on committee so Mary is in process of becoming a notary.

-Gas Wells: Rivera is being bought.

Real Estate: We were down to two county owned lots but we received about 25 notices of forfeiture. Those owners have about a year to redeem their properties. .

Roads & Grounds: Mary reported for Ron Sr. that Greg Osantowski is scheduled to install the boat launch dock this week and that Tim will begin cleaning up the parks. Carolyn reported that brine is now being used in the production of Lithium ion batteries so we can expect the brine prices to remain high. There are alternatives to brine but they are expensive. Prices will be investigated.

Long Range Planning: Tom Rozycki reported that we need to put as much money into the Reserve fund as possible because it is underfunded. We already had to dip into it for major projects: (roofs, lights, security system, tractor) We currently have about \$50K in the fund.

Environment & Zoning: Mary reported that Bryan Scott, the property owner adjacent to the channel park has been very cooperative and is purchasing another lot for his dock. Greg Osantowski will be installing the private dock on the property adjacent to the boat launch park and will be sure to place it on the correct lot. Carolyn will have a newsletter submission about dock placement and trash. Tom Rozycki would like more information about our access rights to Elk Island.

Building Control: Ron Race Jr. reported that a permit was issued for a new garage on Beechnut.

Building Maintenance: Mary reported that Ron Sr. cleaned office and was working while he was home. Ron Jr. reported that Great Lakes Energy will be replacing power poles on the East side of the lake this summer.

-Campground: Marcia objected to the weekly rate that was included in the contract lease that was approved at our last meeting and there was some discussion about it. When we approved the weekly rate, we were under the impression that Marcia had agreed to it. Marcia said she had not noticed that change on the new contract and was unaware of it. The change would impact reservations and was effectively a rate decrease. There was a discussion at the February meeting about Campground rates but no rate increases had been suggestion or voted on by the board. Mary pointed out the board welcomes campers to give their input on camping fees but the decision on rates is up to the board. Our bylaws give the board that authority to establish rates. Marcia moved to eliminate the \$100 weekly rate and to retain the \$18 daily rate in the 2019 Campground Lease. Tom seconded the motion and it passed unanimously. We do not currently have any daily reservations for the Campground.

Forestry: Gordon Wearsch previously reported to the board via email that Katie Martell, our forester at Martell Forestry is no longer with the company. Gordon reported that he no longer recommends that we contract with Martell for our forests. He reported that Martell waited months to mark trees and then offered a very low price for the wood and then required an immediate response from us. Gordon also reported that the trees marked by Martell were all small and that none of the big, more valuable, trees were included. Gordon suggested that we work directly with logger Gary Smolinski and do an "as cut" harvest. Mr. Smolinski has a connection to a mill. There was a discussion about this as we would still need someone to oversee the logging operation. We still need a Forester to do the Forestry Stewardship plan. Could we see stands that Mr. Smolinski cut? Does he have proof of insurance, handle permits, etc? The Otsego County Soil and Conservation District offers forestry assistance. No action was taken on forestry while further research is done.

-Pool: Dave Johnston reported that the Pool Doctor is scheduled to begin opening the pool.

-Security Cameras: Ron Jr. reported that one camera is down to snow and is in the process of being repaired. Mary questioned whether ceiling fans had been installed in Maintenance Garage to push heat down.

Newsletter: Mary requested that all board members submit their articles to her by May 7th.

Social Committee: Connie reported that the Easter Egg Hunt was well attended and expressed her thanks to all those who volunteered and who donated candy for the cause. Kyle requested that board members try to attend the social committee functions. There are no current plans yet for another event.

Unfinished Business:

- The memorial for Anita's Park is still being developed. Ron Sr. is working with the family who want to cover part of the cost. The cost to the Association will be about \$450. Kyle suggested that it be taken from parks funds.

-Open top dumpster: -Mary pointed the cost is \$500 for an open top dumpster but we never set a date or approved the expense until we had a better understanding of our financial situation. Mary expressed opposition to having an open top dumpster this year. She explained that we have had to budget for fewer brine applications this year and opined that we do not have the financial means to increase services to our members at this time. No vote was taken but the consensus was to encourage members to recycle and to use the Hayes Township Clean Up Day service and the Hazardous Waste Disposal Day service. Mary will continue to advertise both events.

New Business:

LAPOA member Dorothy James reported that she has information she can share with Tom Rozycki in regards to the Elk Island easements. She stated that she owns as far as the culvert and that the Association owns all property further out.

-Dorothy James submitted a written request to the Secretary on May 1, 2019 asking that she be allowed to address the members at our annual meeting in regards to membership dues. Dorothy explained to the board that she objects to the automatic annual 3% increases on dues and she believes the dues should be voted on every few years. She stated that the current board is doing a great job. She would prefer a flat rate dollar amount so we don't have "odd" number. She finds it difficult to figure out the upcoming dues for prospective new members. She isn't satisfied with financial reporting as to how dues are spent. She thinks members, rather than the board of directors, should vote on how the Reserve Fund is spent. Tom explained that the budget and expenditures are explained at each board meeting and at the annual membership meetings. Mary explained that financial summaries are in the minutes and newsletters. Mary explained that because Dorothy submitted her request in writing that she would be placed on the agenda for the June meeting. No vote will be allowed on the matter at this year's annual meeting because there was no motion by the board for changing the dues structure in the bylaws which members approved; and because Ms. James did not have signatures of 25 members in good standing requesting the change.

Membership Meeting, Elections, and Picnic:

So far the only nominees for the board are Mary Davignon and Judy Race. The following board members volunteered to count votes: Gordon Wearsch, Ron Race Jr. Tom Rozycki, Connie Stubli. Please arrive 30 minutes early to count absentee ballots, move tables etc.

Dave Johnston is handling the sound system. Kyle has the picnic.

Adjournment: At 10:30, Ron Jr. moved to adjourn. Kyle seconded the motion and it passed unanimously

Minutes submitted by Mary Davignon, Secretary.

Approved, July 6, 2019