

**Minutes of the Lake Arrowhead Property Owners Association
Board of Director's Meeting
May 2, 2015**

-The meeting was called to order by Pres. Chris Speen at 9:00 a.m.

-All board members attended except for Kyle Stubli and Karl McKennon who were excused. - Contractors were in attendance except for Tim Wheaton and Eva and Dale Davidson who were excused.

-Scott Bicknell moved to accept the amended minutes. Ron Race Sr. seconded and the motion passed unanimously.

-Ron Race Sr. moved to allow Dick Miller to fill the board seat vacated by Dave Liggett until the July election. Ron Race Jr. seconded the motion and it passed unanimously.

Treasurer's report: Judy Race distributed and explained the report. Judy will present the year end report (already sent to board) at the annual meeting. Half of the 2015 dues have been paid. Our insurance company requires that we purchase workman's comp. for our contractors and it has been purchased. This is an added expense but it will limit our liability in case of injury. Our insurances will be audited annually. Bank fees went up when Chemical Bank took over Northwestern Bank. Ed would like the budget to show a line with dues billed and another line for uncollectible accounts in addition to an estimate of income. Judy will look into doing this with Quickbooks. Phones to Campground and Pool will be turned on for the season. Mary moved to accept the Treasurer's report. Dana seconded the motion which passed unanimously. Judy will need a report on remaining Lake Project bills before the July meeting.

Financial and Collections report: Judy Race reported that we have recently received judgments in Small Claims Court on five cases. More cases will be filed in June. Members in arrears are making arrangements to pay their back dues. Late fees are covering our collections costs. One member chose to take her case to Civil Court. The judge sent it back with orders to settle or go to mediation.

Gas Wells: Ron Race Jr. reported that gas revenues are a little low right now but should pick up.

Real Estate: Dana reported that she has sold off several of the LAPOA owned lots. There are approximately 65 Otsego County owned lots in Lake Arrowhead. Membership dues are not paid on county owned lots. Mary will advertise the county auction so our members can purchase some of these lots. Dana will examine the trend and will provide a report to the board by June.

Roads and Maintenance: Chris Speen: The truck bed has been replaced at a cost of approximately \$8,800. Chris would like to get an outside contractor with heavy equipment to bring in gravel and sand and to fix several intersections. \$5000 is in his budget but this is not a regular expense and he would like the board's input. Ron Sr. pointed out that repairs are needed in the bus stop gathering area to get rid of giant mud holes. It is not clear if Tim can do this repair. Ron Sr. moved to approve not more than \$6000 to be used for the road and bus stop area repairs. Mary seconded the motion which passed unanimously. Brining: Roads are getting dusty. We are first on list for brining and it will be done as soon as brine is available and road repairs have been made. Spring road weight limits just came off. Chris will check whether double brining will help effectiveness. The DEQ assures us that brining is safe for wells.

Dick Miller brought to the board's attention two pieces of heavy equipment that are for sale. The consensus was that we had no need for either piece.

Pool: Ron Sr. reported that the pool doctor has been out and water will be turned on next week. We need to approve the contract for the Pool Manager position. He recommends that a contract (with the same terms as last year's contract) be shared between Judy Race and Skyler Schnieder. Skyler is a member in good standing and is currently a lifeguard at Avalanche Bay. Her contract does not include life-guarding. Mary moved to approve the contract for Judy and Skyler. Scott seconded the motion and it passed unanimously. Judy will train Skyler.

Parks: Connie rescued a cat from the dumpster. There are a couple big trees at the main park near electric lines that need to come down. Connie will call electric company about it. The merry-go-round that a member complained about cannot be fixed. A member suggested that a picnic table be placed in the woods at the Elk Island park. Fences that need painting will be painted this summer. If not replaced, play equipment should be repainted. Ron Sr. said that the "Lake Rules" sign needs to be moved closer to the boat launch. Many thanks to Dave Burley for fixing the Little Bear Lake dock. Tim will install it. Dave Stubli has redone the "Fire Danger" sign.

Campground: Marcia: The bath house roof has been re-shingled and looks great. The furnace is working for now but it is old and may need to be replaced in the near future. She has received one estimate. The CG has funds to cover this expense when necessary. The split rail fence will be extended with money from pop can funds. After complaints, she again researched the rubber mulch being used and found that it is appropriate for play areas. More mulch will be purchased for playscape area. A contract for Eva and Dale needs to be approved. Ron Sr. moved to extend the shared Campground contract to Eva and Dale with the same terms as last year's contract. Marcia seconded the motion and it passed unanimously.

Lake report: Chris signed the contract with Jeff for ongoing lake monitoring. Jeff will be out in June to inspect. We will have a report for the July membership meeting. Unofficially, it appears that the lake is still rising. The spoils area still has a significant amount of water. Chris will check with Jeff to see if de-watering can be speeded up. Our MDEQ permit is still open. Phragmites will be monitored for ten years and sprayed as needed.

Communications: Mary reported that the newsletter gets mailed this time. Please have reports in by May 15th. We have about 85 members on Nextdoor and are getting about 400 weekly hits on Facebook.

Reserve Study: Ed Heitsch reported that the Reserve Study made it clear that we are not collecting enough for future maintenance or for our operations. The Reserve Fund requirement is \$49,900/year beginning in 2016. The board discussed how best to finance the Reserve Fund and operations. After much discussion, Scott Bicknell moved that we recommend a dues increase on each member's primary lot by \$71/year to finance the Reserve fund. Dick Miller seconded the motion. The motion carried with three members opposed.

For operations, Judy moved that we bring to members a recommendation of an automatic 3% annual increase on regular maintenance dues on primary and secondary lots for operating expenses. The proposed \$71 increase for the reserve fund is separate and would not be effected by this. Ed seconded the motion with three members opposed.

Stocking the Lake: Connie reported for Kyle that it would cost \$8000 for 3,000 hybrid bluegills and 2000 black croppies and 5lbs of minnow bait fish. Hybrids do not reproduce. There was a discussion about this issue and it will be tabled until the next meeting. We can still stock the lake in the Fall.

Parking Violation notices: Mary distributed a draft of a parking violation notice that can be placed on illegally parked vehicles. The consensus was to approve it as amended. A log will be kept in the office with the date, time, and license number of violators whenever violation notices are given. Reporting can be done by a phone call.

Complaints about problem neighbors and tenants: Call Michigan State Police on tenants if property owners don't regulate disruptive tenants.

Next meeting: Judy asked that we review and update our key policy and our bids policy.

Election Counting Committee: Mary, Ed, Marcia, Connie, and Dick.

Adjournment: Ron Sr. moved to adjourn and Marcia seconded the motion. The motion carried unanimously and the meeting adjourned at 12:15.