

## **Minutes of the September 14, 2013 Special Meeting of the Lake Arrowhead Property Owner's Association Board**

The meeting was called to order by Pres. Ronald Race at 9:00 a.m.

All board members were present in person or on the phone.

### **Line of Credit:**

Chris Speen explained that Northwestern Bank is offering LAPOA a non-revolving line of credit in the amount of \$200,000 for our lake improvement project. The interest rate is currently 3.25%. There is no interest cap but rate is tied to the Federal Reserve rate. We will be charged interest on only those funds borrowed. The line of credit will be reviewed on Nov. 1, 2014. This is a non-secured loan other than funds raised by our special assessments. Judy explained that in case of default, bank may make claim to membership dues revenues but not real property and would set up payment plan so that we could operate. For now, the bank needs a letter of intent and for us to open at least one account there. Loan contract must be signed by December 1, 2013. It is desirable to move all of our accounts to Northwestern.

Approximately \$57,000 in special assessments has already been paid.

Chris will need some of these funds this year in order for contractor to do site preparation. Possible changes to site for dregs could save association substantial a substantial amount. Chris is waiting for DEQ notification on site changes.

Scott moved to:

1. authorize Judy to move all LAPOA banking to Northwestern Bank
2. authorize President Ron Race to sign letter of intent on line of credit
3. authorize President Ron Race to sign loan contract once contracts are finalized
4. authorize Chris Speen to spend up to \$40,000 for site work once dredging contracts are finalized.

Motion was seconded by Dick Miller and passed unanimously.

Issues can come up quickly on the lake improvement project. There was a lot of discussion about what can and cannot be done without express approval of the board. A possible solution would be to have issues brought to the entire board electronically with a vote within 72 hours. No board action was taken on this. Currently, no dredging contract has been presented to us. Chris will obtain the contract this week and send it out electronically to the board members for review. Chris Speen wanted it noted for the record that he has no intention of managing the lake project without the knowledge and approval of the board. It was agreed to have a special board meeting on Saturday, September 21, 2013 to approve the dredging contract.

Scott moved to adjourn. Judy seconded the motion. Adjournment at approximately 10:30

*Submitted by Mary Davignon LAPOA Secretary*

*Approved as amended 10-5-2013*