

**Special Meeting of the Lake Arrowhead Property Owners  
Board of Directors Meeting Minutes  
February 6, 2021**

Because of the Covid-19 pandemic and restrictions placed on gatherings by the State of Michigan, this regularly scheduled meeting was changed to a Special Board Meeting. Board Members were able to participate via conference calling or Zoom. Other LAPOA Members were invited to participate via Zoom and several did attend.

After a few technical difficulties, the meeting was called to order at 9:14 by President Paul Cutting.

**Attendance:** All board members were in attendance except for Jeff Kennedy (Fango), who was excused. Contractors Mary Davignon, Judy Race, and Gary Smith were present; all others were excused.

**Minutes:** Gary Smith moved to approve the December 5, 2020 Special Board Meeting Minutes. Dan Burroughs seconded the motion and the motion carried without objection.

**Treasurer's Report:** Treasurer Judy Race sent her proposed 2021-2022 budget to the board in advance of the meeting. She went over the proposed budget line by line. Of concern this year are equipment maintenance and roads. No raises for contractors are in the new budget. Only one or one and a half brine applications this summer seem possible because of high brine costs. Tom Rozycki clarified that \$20K will be repaid to the Reserve Fund each year from the Campground income when the current Campground electrical upgrade and expansion project is done, and it will continue as income to the association budget after the future campground expansion project is complete. We can no longer count on any gas well revenues, so that was eliminated from the proposed budget. Ron Race Sr. moved to approve the Treasurer's report and the proposed 2021-2022 budget. Paul seconded the motion and it carried unanimously. Judy estimates that we will have about \$2000 left in the checkbook at year's end. Judy went over the Campground improvement bids and bills.

**Increasing revenues:** Judy displayed recent years' expenses on dumping, roads, equipment maintenance, contractor costs; and expected revenues. We cannot put money into removing dead trees and improving the roads without an increase. It is apparent to all the board members that we do not have enough income to offset the Association's rapidly increasing costs, and that an increase in Membership dues is needed. After several proposals and a lengthy discussion, Dan Burroughs moved to raise the First Lot 2022-2023 dues to \$275 which would include the 3% annual increase for 2022; and to increase the Second Lot 2022-2023 dues to \$100 which would include the 3% annual increase for 2022. Nicole Burroughs seconded the motion and it carried with one opposed. No changes are planned for the Reserve Fund.

**Collections:** Gary Smith reported that collections are going well. Some members are now paying rather than go to court. Judy reported that mediations are going well.

**Gas Wells:** Dave Johnston reported no changes. Gas prices are still low.

**Real Estate:** Paul Cutting reported that he had an inquiry from someone interested in purchasing part of our Common Grounds. Our deed restrictions make that prohibitive.

**Forestry:** Carolyn Wright reported that we are still waiting for Martell to complete the Forestry Plan.

**Roads, Grounds, and Equipment:** Ron Race Sr. reported that he is getting many comments of the excellent job being done on the roads this winter. Our new compactor is saving us a lot of money as evidenced by how much garbage was collected in one day when a dumpster switch out was delayed and we had Tim place the Association's trailer under the compactor canopy for garbage. Truck: A hydraulic line went, and Tim was able to fix it. We recently had issues with the truck sander. Ben Chudzinski and

Tim were able to fix one problem but they noticed another problem requiring service by Zarembas.. While there, an electrical issue including a sander computer controller was found and that also required Zarembas to repair. There was a discussion about allowing “volunteers” to use our equipment to help with road issues. We tried and quickly found out that we must have qualified people to do the work. Road Closure: Beechnut has been closed where the pond has been covering the road. Signs were installed indicating that the road is closed ahead, and barricades were built and placed. The barricades keep being moved. Ron responded and cc'd the board to a letter from Laurie Beale in regard to the Little Bear Lake water level. We are doing the best we can do for all of our members.

**Long Range Planning:** Nothing new.

**Parks, Lakes, and Safety:** Mary reported that Fango was concerned about exposed dock posts on Little Bear Lake that need better marking. Ron will contact Tim about it. Ron Race Sr. reported that the police were involved in the missing swing set from the park on Little Bear Lake. Frank Stuckman admitted that they removed it. Stuckman says they will replace it and repair the ruts they created.

-Lake Level Feasibility Study: Ron Race Sr. reported that water from Buhl Lake probably could be drained via a pipeline into the Manistique River system; but we do not have the funds, and we would not likely get approval. He has been in contact with Mary Sanders, Township Supervisor to discuss unsuccessful concepts regarding Lake Manuka's high water levels.

-Ron Race Sr. reported that he is working with FEMA to obtain a \$1000 grant to replace the Fire Danger Level sign. Jack Bergman's office has already been helping.

-Judy Race reported that there were some complaints regarding the ice rink created by Katie Warner and her family. Katie Warner responded that they left a trail where snowmobiles could get by, but next year they will build it further from the park. She pointed out that the park sign states, “No Motorized Vehicles Beyond This Point.” Tom Rozycki thanked Katie for the work she and her family did on behalf of the community.

-Judy Race reported that there is money in the Nelson Wheaton Fund that was designated for park improvements. There are two benches in Anita's Park that are in bad shape. She proposed using \$914.22 from the fund to purchase two plain benches from Poly Products (which is owned by a member). Ron pointed out that there may be some small additional costs for cement and installation. Dan Burroughs moved to purchase the two benches. Tom Rozycki seconded the motion and it passed unanimously.

**Building Control:** Ron Race Jr. reported that prior to Otsego County's adoption of the current Otsego County Zoning Ordinance in 2020, the maximum allowable size on outbuildings was 1,200 square feet. In August, the board approved limitations of 1200 square feet on a single lot and up to 1800 on combined lots. This should be a bylaw change. Ron Race Sr. consulted with our lawyer and proposed the following verbiage for Article VII, Section 3, paragraph f of the bylaws to limit the size of auxiliary buildings:

“To enforce, either in its own name, or in the name of any Member, as may be necessary, all building and deeded restrictions which have been, are now, or may hereafter be imposed upon any of the real estate in Subdivisions and any Common Grounds. **Such restrictions shall include the prohibition of any accessory building greater than 1,200 square feet in size on non-confirming lots and up to 6% of the total lot square footage on conforming lots up to a maximum of 1,800 square feet.** The Board, on behalf of the Association, shall have full power and authority to bring proceedings in the names of any of the owners to enforce the restrictions. The expenses and costs of these proceedings shall be paid out of the general funds of the Association and be a cost of Administration.”

Carolyn Wright seconded the motion and it passed unanimously.

**Building Maintenance:** Ron Race Sr. reported that the red light in the AED box was not keeping the unit warm enough. He has insulated the box and it is now staying at 65 degrees.

**Environment & Zoning:** Dan Burroughs reported that on a drive around the neighborhood, he found twelve houses with clearly unusable cars. Dan will provide the addresses to Mary and she will send out violation letters to the vehicle owners that the cars must be removed when the snow clears in April. Last fall, Dan found thirteen underwater docks. Mary will put a notice in the newsletter about the docks.

**Campground:** Trisha Fowler reported that campers were moved to make way for electrical and water work. Everything is currently shut down. Gary will send the Office a list of people who will be seasonal campers this year. All the seasonal lots will be filled, and we expect to be down to three members on our waiting list. They are getting reservations already for June and July.

-Judy reported that the on-line reservation system for the campground and pavilion are on hold for at least a year due to limited technology support at the current time.

**Lake Improvement:** No report

**Pool:** The pool is dormant. The heat exchanger needs to be replaced this spring. A gas line needs to be repaired. Chemical delivery and the pool opening will be scheduled.

**Security Cameras:** Ron Race Sr. reported that in the past two months, the cameras photographed three violators that turned out to be members. All three were sent violation letters. Tips from our members on violations helps.

**Newsletter & Social Media:** All is going well. Please send in articles and photos.

**Social Committee:** Trisha reported that because of Covid-19, all social activities need to be outside or virtual. Some ideas floated include: a Lake Arrowhead promotional video, walks around the lake, sledding party, weight loss challenge, kayak party, outdoor chili cook-off, and a community clean-up day (perhaps on earth day).

**Unfinished Business:** The discussion about the metal building by Arapaho and Hayes Tower has been tabled. Ron would like to have it inspected.

-Cell Tower feasibility: There is no interest from any of the companies.

-**Rules Revisions:** Tom will send out a draft. For now, references to county ordinances regarding camping on lots should be removed. Camping on members' lots will still be prohibited.

**New Business:** Ron Race Sr. proposed the following highlighted changes to our bylaws that would allow board members to attend some regular board meetings remotely. Article VII, Section 6, and Section 13h:

Section 6. In case any director or officer shall fail to attend, **in person**, fifty percent (50%) of the meetings of the Board of Directors in any given **twelve month period**, the Board of Directors may, at their discretion, vote to remove such director at any regular or special meeting of the Board of Directors. The Board of Directors will notify such officer or director and shall thereupon elect a successor or successors as at such a meeting.

**h.** The President of the Association may permit Board Members to attend up to two (2) regular meetings of the Board during a twelve (12) month period by video conferencing. Such permission shall be obtained from the President prior to any regularly scheduled meeting of the Board.

Mary Davignon seconded the motion and it passed unanimously.

-Insurance: Judy Race reported that the original Allied Insurance Agency owners shopped annually for the best rates and provided very responsive service. That downstate company dealt with Auto Owners

and was sold. The new owners are not responsive. Judy began searching for options to move our insurance business and learned that Paul Cutting is an insurance agent who deals with Auto-Owners. She suggested that we transfer our insurance policies to Paul to manage. Paul is a member and is familiar with our needs. He would shop for best prices. He has already begun measuring buildings and will examine the policies to make sure all our assets are insured properly. We already know that some things were not included in current policies. Some policies may transfer, others may need to be re-written. Paul stated that he wants no appearance of self-promotion. Tom Rozycki moved to change our insurance from Allied Insurance to Trust Shield Insurance, and to make Paul Cutting our insurance agent. Carolyn Wright seconded the motion. The motion carried with none opposed and Paul Cutting abstaining.

-Judy reported that DTE has expressed interest in leasing our property for the placement of solar panels. DTE will give us \$1000 to investigate the possibility of using some of our common areas for solar panels. Judy told them we have 650 acres of common grounds and we are not interested in removing our trees. This could either amount to not much or it could mean a lot of money. Tom Rozycki moved to investigate further into the possibility of solar panel hosting. Dan Burroughs seconded the motion. The motion carried unanimously.

(Ron and Judy lost connection momentarily and rejoined the meeting.)

**Members' questions and concerns:** Katie Warner would like permission to conduct an anonymous survey on Nextdoor about "volunteering at a homeowners' association" for a school project. The consensus is that this is not a board issue and our permission is not needed. Katie will send the survey to the board for our personal input.

-Ron Race would like to give Tim a \$1000 bonus at year's end if funds are available. Carolyn Wright moved to approve the \$1000 bonus for Tim from this fiscal year funds. Paul seconded the motion and it carried unanimously.

(Tim's last raise was in 2014. Other contractors got raises in 2015.) Katie Warner suggested that our bylaws be changed to include automatic raises for contractors. That suggestion was tabled to another meeting.

**Adjournment:** At 12:12 p.m., Mary moved to adjourn. Tom Rozycki seconded the motion and it carried without objection.

Minutes submitted by Mary Davignon, LAPOA Secretary  
Approved, May 1, 2021