

**Minutes of the Lake Arrowhead Property Owners Association  
Board of Director's Meeting  
December 3, 2022**

Meeting was called to order by President Carolyn Wright at 9:18 a.m. in Lancaster Hall.

**Attendance:** *Present:* Carolyn Wright, Katie Warner, Dan Burroughs, Nicole Burroughs, Dave Johnston, Jeff “Fango” Kennedy, Ron Race Jr., and Brandon Sears. *Present via telecommunications:* Paul Cutting, Judy Race, Dana Stubli, Ron Race Sr., and Tom Rozyki. *Absent:* Gary Smith. Magdalena Sinatra was present; all other contractors were excused.

**Minutes:** *A motion by Ron Jr. to approve the minutes of the October 1<sup>st</sup>, 2022, board meeting with corrections was made, and seconded by Nicole. Motion carried unanimously. A motion by Dan. to approve the minutes of the October 26<sup>th</sup>, 2022, special executive board meeting was made, and seconded by Dave. Motion carried unanimously.*

**Open Floor:**

None

**Officer Reports:**

**President:** As a board we face some very difficult decisions; during these discussions, and in general, mutual respect is expected from all. Communication regarding employee v. contractor was sent out in the way it was received for transparency to all.

**Vice President:** Nothing to report

**Treasure:** Concern that the minutes from October 1<sup>st</sup> were missing the following information after voted on: The CPA and the attorney said that according to UIA (unemployment) and IRS guidelines, we have employees. Only two (contracts) were sent because of the financial aspect (secretary and roads) because she figured they were opposite ends of the spectrum. When speaking with attorney, he said he did not need the rest because the answers would remain the same, and could respond to all the bullet points of the UIA and IRS guidelines, but that would be a waste of his time and our money. They both also stated if we were reported to the IRS or UIA we will be required to pay all the back taxes and most likely penalties.

**Budget:** Budget report: 2022 association dues to date are \$10,000 above what we budgeted- 92.1% collected. Forestry YTD income is \$19,793, with \$14,500 still needed to be taken out for tree removal during the 21-22 winter. Gas wells: \$21,173 as of 12/2/2022 with 2 more checks expected before the end of Feb. Prior years assessments at \$6,288 – may not make budget number of \$10,600 because there isn't as much outstanding. Reserve is \$43,309.66. Campground income, all annual sites were filled (\$39,100); daily sites came in at \$8,275 (110.3% or what we budgeted), but to note that daily fee went up to \$25 after the budget was approved, and if that was taken into consideration, we would be short by over \$1000. Clarification that although the campground managers site is showing as income, no money is collected and is journaled over as a part of compensation for book keeping and included in 806C1 Campground Labor. Pool is at \$17,134 (budgeted at \$12,000) due mostly with chemical and propane increases. Under on equipment repairs (currently at \$3,966 out of our budgeted \$12,000) with a couple months left. Road improvement total is \$41,676 - \$3,000 over the budget after adding another section of road and bus stop area. Action needed on discrepancy of line item 1001C and 702C. Balance sheet: Association checking- \$16,253 & savings \$155,710; funds for forestry, lake improvement and reserve will be netted out of accounts at the end of Feb. Campground: \$2,623 in checking, \$3,000 in savings with taxes and office expenses still needed to be paid. Total in checking/saving: \$268,991.56. Savings account has the most money at the

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beginning of the year; there may be an option to make more money on interest rates going to a different bank. New line items under Long Term Liabilities tracking the CG loan- with a balance of \$72,700. Action needed for what is covered under the other liabilities of \$71,271.

*Motion by Dan to accept the treasures report was made and seconded by Katie. Motion carries unanimously.*

**Secretary:** Nothing to report.

**Committee reports:**

**Building Control:** Nothing to report.

**Building Maintenance:** CCTV signs have been put on the two doors in office indicating that visual recording/monitoring is used, camera monitor has been moved, and plans to build a supply closet with cleaning supplies so renters can easily clean when finished using the space are in the works. Floor project: During demo, contractor concluded that work had been done years ago to reinforce floor, structure near the main door is sound with no rotting. Some floor leveling was needed to prevent new floor from sagging. Two new doors were installed for ADA compliance. Project expected to be under in the \$8,000 budget. Follow up needed on clear coating to protect floor.

**Campground:** Action needed on a fallen tree near storage gate post blocking use/entry to area, and a camper that have left lights running while gone. Brandon resignation has been received and his last day will be on 12/5/22. Idea of using Starlink internet (\$100/m, approx. \$250 for initial setup) for the campground to see if the service is better than our current service, and as a trial for future uses elsewhere (not to include office because of server) was introduced— more research is needed. Trustream through GLE may become an option in the future as well.

Nikki leaves Lancaster Hall and moves to Zoom at 10:14.

**Collections:** One house that had a lien on it sold and owed money was paid in full. Past due from previous owners is \$41,000, current owners \$51,000. Several court cases in the works.

**Environment and zoning:** Nothing significant to report.

**Forestry:** Martel is working on a plan (access routes) to move forward with 2023 harvest; currently old stump road is not an option. Proposal includes trails off Springay, crossing Arapaho, and continuing through LA trails to harvest site. Note that logging equipment must maintain agreed upon distance from gas well head.

**Long-range planning:** Building Reserve company reached out to update reserve plan. The opinion was shared that we should not pay the money and update the plan at this time because we are not on schedule. Board agrees.

**Minerals and Gas Wells:** One of the wells on LA property that was repaired by the gas company is currently online and working.

**Parks, Lakes and Safety:** Flag pole has been repaired. Walkabout was conducted with Collins Tree Service to continue the removal of dead and dangerous trees off LA property. Ballpark cost is \$6-\$8k. Board has agreed this is an extension of last years work, therefor 2 additional bids will not be needed.

*Motion by Fango to spend up to \$8,000 from forestry fund to remove approximately 60-80 dead trees using Collins Tree Service in the winter of 2023 was made and seconded by Dan.*

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*Motion to amend was made by Judy to read, spend up to \$10,000 from forestry fund to remove as many dead trees as possible (approximately 60-80) using Collins Tree Service in the winter of 2023 and seconded by Dan. Motion carries unanimously.*

**Parliamentary, Bylaws, History:** Nothing to report.

**Pool:** Follow up to see if Pool Doctor will still be the company to work with LA as it was recently bought by another company.

**Roads, Grounds, & Equipment:** When the truck recently had work done, to include brakes, it was discovered it wasn't done properly; truck went back in to have issues resolved and paid for by Zaremba's. On 12/5 truck will go back in for service to fix a leak in the fuel line. During the most recent snowfall, we were able to contract Ron Jr. (A & R Rental) to keep the roads plowed as the tractor was not able to plow because it would slide on the hills and the truck was down. Ron Jr. stated he can no longer assist with the roads at \$15/hour to keep up with gas prices and wear & tear on his equipment. Discussion to post job announcement to take bids for snow plow contract for the areas unable to be covered by our current equipment/road's contractor.

Clarification of when we call an outside contract, their duties, and who pays for it was brought up for discussion, and was recommended to go to committee for fine tuning details.

*Motion by Paul to change the amount for snow removal services with A&R Rental to \$45 per hour, while the snow removal committee of Tom, Ron Sr., Ron Jr., and Dan create a job announcement by December 17th to receive bids for the season and is seconded Fango. Motion carries with 12 yes and 1 abstention.*

Dan has a lead from a company (Payne and Dolan, Inc) that was involved with the repaving of Springay with the recommendation of repaving Arapaho in the same way with an estimated price around \$232,000. Chip and tar option could be around \$65,000 lasting for on a couple years.

**Real Estate:** Nothing to report.

**Roads Improvement:** Nothing to report.

**Security Cameras:** Dumping violation fine regarding Diesel Exhaust Fluid was overturned. The fluid was intended to be a donation to LA; LA took possession and it has been used.

*Motion by Ron Sr to send a letter waving the dumping fine was made and seconded by Carolyn. Motion carries unanimously.*

**Social:** Christmas Tree Light on 12/17. TBD on snowmobile ride in January. Waivers/release forms should be turned in to office after events.

**Webmaster, Communication & Technology:** Website and technology upgrade inquiries are ongoing. Social media posts should be made by responsible committees/chairs.

**Unfinished business:**

**Appointment of board member.** Brandon Sears resignation will be effective after board meeting. The board thanked Brandon for his service. The President made the recommended to nominate Cynthia and everyone approved.

*Motion by Ron Jr. to fill Brandon's position with Cynthia Huyghe and was seconded by Judy. Motion carries with 11 yes and 1 abstention and 1 absent.*

**Server update:** Nothing to report. Awaiting final bill for total cost.

**Heavy Truck Replacement Options:** To purchase a new truck, to county specs, single axel, the projected delivery date would be 2 years after order and cost around \$225,000 with \$10k down payment. There are options to buy a basic truck for \$130 - \$140k and then outfit for another

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\$80-90k at a 6-8 month wait. Possible budget change/addition of adding grading operations on an annual basis to the budget.

**Employee vs Contractor:** Lengthy discussion on what is in the best interest of the association regarding bylaws, labor attorney opinions, HOA attorney opinions, change over date, pay changes, level of supervision, time tracking, board members being contractors, benefits packages, policies & producers. Other discussions included the want to see what would hiring a contractor look like in terms of numbers/money/hours/ etc., versus what an employee looks like. The question that aligned with the motion of what the association needs to change to have contractors and not employees, is still unclear to most board members.

*Motion by Paul to make our contractors employees as of January 1<sup>st</sup> was made and seconded by Judy. Roll call vote was requested by Judy. Motion failed with 4 in favor (Paul, Ron Sr., Ron Jr., & Judy), 8 opposed (Dan, Nicole, Dave, Fango, Brandon, Dana, Katie & Carolyn), and 1 abstention (Tom).*

*Motion by Dan to continue working with labor attorney to sort out details and seconded by Dana. Motion passes with 10 in favor and 4 opposed.*

Gary was listed as absent, but was able to connect to audio during the last vote.

Brandon has been removed from the employ/contractor committee and replaced with Dan.

Fango leaves Lancaster Hall at 12:35

Dave leaves Lancaster Hall at 12:36

**New Business:**

**Campground fees:** Brandon submitted his ideas of comparison with other campground with similar amenities he researched, and current and proposed campground budget was present in an interactive spreadsheet to analyze different rates, taking into account minor upgrades and raising energy costs. Idea of looking into individual lot electronic usage/billing and/or an adjustment to loan repayment were both introduced.

Cynthia has accepted responsibilities as Campground chair.

*Motion by Paul to adjourn was made and seconded by Ron Sr. Motion carries unanimously.*

**Adjournment:** At 1:14 p.m. Carolyn called the meeting adjourned

Minutes submitted by Katie Warner, LAPOA Secretary