



Higgins Lake Property Owners Association

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President:	Brad Gibson	Directors:	David Batchelor
Vice President:	Charlene Cornell	Bill Case	Bob McKellar
Secretary:	Herb Weatherly	Ken Dennings	Jim Vondale
Treasurer:	Chuck Brick	Bob Hoffman	Dianne Wagner

Higgins Lake Property Owners Association

Board Meeting Minutes

October 17, 2016

The meeting was called to order by President Brad Gibson at 8:36 A.M.

Board Members Present: Brad Gibson, Herb Weatherly, Jim Vondale, Bill Case, Dianne Wagner, Chuck Brick, Charlene Cornell, Dave Batchelor and Bob McKellar. Bob Hoffman and Ken Dennings were absent.

Agenda: Dave asked to include the report on the Newman Drain, which Brad said to include in the environmental portion of the meeting.

President's Comments: None.

Minutes: In regards to the September 19, 2016 minutes, Chuck suggested to add "several extraordinary" expenses incurred in 2016, under the Treasurer's report. A motion to accept the minutes, with this change, was moved by Herb and seconded by Bob. All ayes, no opposition, motion passed.

Committee Reports:

Secretary/Office: Herb discussed his findings regarding a sign for the front of the building. For under \$200.00, a 1 1/2' sign can be purchased and he had two layout examples. The sign needs approval from our landlord, Gaylor Insurance, who is currently looking to change their sign. Gaylor Insurance should have their new design in approximately two weeks and Herb will follow-up with them to coordinate our signage.

As our lease is up for renewal the end of December, Herb discussed this topic with Gaylor Insurance. Gaylor Insurance said there should not be many changes and will follow-up with Herb later this month.

Last, Herb approached Gaylor Insurance regarding additional insulation, due to our high heating cost, and Gaylor Insurance will look into this for us.

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Treasurer's Report: Chuck presented the financial statements through September 30, 2016 and there were no questions. The board accepted the financial statements.

Membership/Communication: Dianne presented the final version of our 2017 membership envelope and is currently working on the mailing list.

Charlene was pleased with the outcome of last Friday's meeting, where a long-term communication plan was discussed. Plans include a newsletter every other month, a 2017 survey, meeting with other lake associations to inform them of our mission statement, securing a Facebook/social coordinator and to make our website easier to navigate. Charlene also announced that Linda Brick has volunteered to be our newsletter coordinator. Thank you, Linda!

Riparian Committee: Jim stated that the AmVets administrative appeal is on-going. He has scheduled a riparian meeting next week to work on the marina policy.

Dave noted that permit regulations have been stream-lined without our knowledge, and that both the Riparian and Environmental Committees need to be made aware of any changes. Bob cited the copper sulphate permit issued by the DEQ. In a future meeting, Dave and Bob will meet with a DEQ representative, regarding permit notifications.

Environmental Committee: Dave gave an invasive species presentation at the County work session. Dave's draft resolution was discussed, where the County supported existing and planned boat wash facilities, which was approved and also added Lake St. Helen.

A discussion was held on the Newman Drain, a catch basin, where there is a concern over potential water quality impacts. It was decided that Dave would draft a letter to the DEQ, in regards to an inspection and to the adequacy of the facility. The Pine Bluffs facility has not yet been built and Dave noted that we need to be pro-active, as it is hard to get a retraction once a permit is approved. Dave emphasized the importance of monitoring this situation. Herb added that there was a filter, not part of the treatment facility, which was there during the construction period.

Dave and Chuck attended a get-together at the Rivers Keeper meeting. They met with the new DNR District Supervisor of Roscommon County, William (Bill) Doan. Dave and Chuck hope that Bill can assist with boat wash facilities and the possibility of AmeriCorps staffing. A follow-up meeting is planned. Chuck added that it is outstanding that they are open to working with the HLPOA, giving us more credibility.

Jim then addressed milfoil work being done by the DASH boat and asked for a review. Is cutting of milfoil appropriate, what is the process, are there metrics for the work and success? Dianne has photos of milfoil in the water, washed onto her shore and wrapped around her dock after the Milfoil work was done by the DASH boat crew near her property. Each fragment can start a new milfoil colony. Dianne

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will forward these photos to Dave. Dave will draft a letter to the HLF on behalf of the Board, with concerns and questions about the DASH boat work. Dave will also copy the DNR on this letter.

PAC Committee: In regards to Road Commission positions, Brad shared that none of the candidates responded in time to our questionnaire; therefore, we did not have any recommendations for the election.

Swimmer's Itch Committee: Jim spoke of an analysis of Higgins, Crystal and Leelanau conducted by Ron Reimink comparing snail infection rates and snail density on the three lakes. Based on this analysis Higgins Lake now has the lowest snail infection rate and its snail density is comparable to or less than the other lakes analyzed. Jim cautioned that the snail density data is fairly limited.

Jim then discussed the concern by the board of the HLPOA carrying the financial burden of the Swimmer's Itch lobbying effort in 2016. Chuck spoke to our auditor, who informed him that 501(c)(3) non-profit organizations can conduct and pay for limited, non-political, lobbying. Further research and discussions with PAA confirmed that information. As a result, Jim worked with the boards of Leelanau, Crystal and Glen and they have agreed to share costs with HLSIO for PAA lobbying for control, research and education funding by the state of Michigan in 2017 and forward. Bob asked what amount is the HLPOA currently paying for general lobbying work and Jim replied \$1000.00 per month. The boards of HLSIO, Leelanau, Glen and Crystal have agreed to split the \$12k cost of six months of swimmer's itch lobbying beginning in December. A separate contract will be signed by the four organizations and payment will be made directly to the lobbying firm, PAA. Jim noted that the other lakes have agreed that the leadership and support of the HLPOA and HLSIO boards on swimmer's itch should result in an increased share of the state funding for Higgins Lake in 2016.

Jim then stated that the HLSIO is going to begin to transition to a comprehensive maintenance program in 2017. That should result in a reduced cost for the 2017 HLSIO program. Research efforts and costs will be shifted to the Michigan Swimmer's Itch Partnership (MSIP).

In regards to the Leelanau Center for Education, Jim said that they are expecting the \$250,000.00 from the State of Michigan to be released soon, which will come out of the DNR Parks budget. It is an appropriation.

Local Government: Herb commented that the reception of Dave's presentation, at the County meeting, was very good.

MWA Report: Charlene, our liaison for the Michigan Waterfront Alliance, reported on a meeting with Bob Frye of the HLC and Glenn Artz of the HLEEC to review the MSU/UofM Ecohydrologic Evaluation of Removing the Higgins Lake-Level Control Structure study. A contractor may be selected and Spicer or LimnoTech were mentioned for this analysis.

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Ongoing Business: A discussion was held on the pending lawsuits by two former board members. Jim will speak to our attorney, Bill Carey, to determine what additional information can be made available to HLPOA members regarding the status of the lawsuits.

New Business: As the 2017 membership envelopes need to be printed soon, the amount of membership dues were discussed. Chuck stated that the dues have been \$75.00 since at least 2005 and that it is a good idea to review membership dues regularly. The board discussed the current budget, future HLPOA needs and revenues. The discussion included the fact that the board is committed to addressing the needs of its members with a focus on swimmer's itch, important environmental issues such as lake quality, invasive species, the boat wash and nutrient loading and riparian issues such as illegal boat mooring, violations of road end laws and the spread of illegal marinas. Committees of the board are active and include many non-board HLPOA members. Two lawsuits also are pending against the Association and are being aggressively defended. Communication with Members is being increased including a Newsletter. Coordination and cooperation with other lake associations throughout Michigan is being conducted through Committees such as the Environmental Committee and through the work of the Michigan Swimmer's Itch Partnership. The board wants to maintain and hopefully increase these cooperative efforts and maximize HLPOA member-focused programs and value. After a lengthy discussion, Bob moved to raise the dues to \$90.00, which was seconded by Dave. All ayes, no opposition, motion passed.

Chuck presented the 2017 budget, which was prepared with help from Jack Cornell. Dave stated that he felt each committee should have an action/budget plan, incorporated into the budget. With that in mind, Chuck asked that each Committee Chair provide input prior to the next Board meeting.

Chuck briefly introduced a lake level discussion. This topic will be discussed in greater detail at the November meeting.

Adjournment: A motion was made by Dave to adjourn the meeting and was seconded by Chuck. All ayes, no opposition, motion passed. Meeting adjourned at 12:25 P.M.

Next meeting will be on November 21, 2016 at 9:00 A.M.

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**HIGGINS LAKE PROPERTY OWNERS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2016**

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 7,218
Total Current Assets	<u>7,218</u>

Other Assets

Certificates of Deposit	20,356
Prepaid Rent	-
Restricted Cash	2,372
Total Other Assets	<u>22,728</u>

Total Assets	<u><u>\$ 29,946</u></u>
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LIABILITIES

Current Liabilities

Accounts Payable	\$ -
Accrued Payroll and Withholdings Payable	641
Accrued Expenses	-
Due Environmental Fund	600
Total Current Liabilities	<u>1,241</u>

Total Liabilities	1,241
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NET ASSETS

Unrestricted :	
Unrestricted	17,448
Temporarily Restricted	11,257
Permanently Restricted	-
Total Net Assets	<u>28,705</u>
Total Liabilities and Net Assets	<u><u>\$ 29,946</u></u>

Higgins Lake Property Owners Association

Ten Months Ending October 31, 2016

		<u>Actual</u>	<u>Annual Budget</u>	<u>Variance Fav/(Unfav)</u>
REVENUES:				
Membership Dues	502 Members	\$ 37,650	\$ 39,375	\$ (1,725)
Other (General)		\$ 2,665	\$ 4,500	\$ (1,835)
Legal Fund Donatioins		\$ 2,268	\$ 6,000	\$ (3,732)
Interest on Savings & CD's		\$ 1.81	\$ 40	\$ (38)
MSIP Contributions		\$ -	\$ 1,000	\$ (1,000)
Directory Advertising		\$ 5,225	\$ 3,500	\$ 1,725
TOTAL REVENUE		<u>\$ 47,810</u>	<u>\$ 54,415</u>	<u>\$ (6,605)</u>
OPERATING EXPENSES				
Office		\$ 4,942	\$ 6,436	\$ 1,494
Payroll		\$ 7,547	\$ 7,800	\$ 253
Other Administrative		\$ 15,604	\$ 11,000	\$ (4,604)
Lobbyist		\$ 20,000	\$ 21,000	\$ 1,000
Water Quality Study		\$ 2,600	\$ 2,600	\$ -
Miscellaneous Expense		\$ 3,291	\$ 500	\$ (2,791)
Satisfaction of Legal Costs		\$ 11,964	\$ 5,000	\$ (6,964)
ORGANIZATIONAL SUPPORT		<u>\$ 710</u>	<u>\$ 740</u>	<u>\$ 30</u>
TOTAL EXPENSE		<u>\$ 66,658</u>	<u>\$ 55,076</u>	<u>\$ (11,582)</u>
NET INCOME		\$ (18,848)	\$ (661)	\$ (18,187)

Higgins Lake Property Owners Assoc.
Statement of Cash Flows
 January through October 2016

	Jan - Oct 16
OPERATING ACTIVITIES	
Net Income	-18,848.23
Adjustments to reconcile Net Income to net cash provided by operations:	
Cash:Checking Account	16,524.18
Cash:Petty Cash	-67.78
Cash:Savings Account	-2,031.00
Certificates of Deposit	20,365.00
Legal Account:Restricted Cash	-2,372.56
Accounts Payable	-1,012.57
Accrued Rent	-395.00
Due Environmental Fund	600.00
Payroll Taxes Payable:Federal Payroll Taxes	-156.16
Payroll Taxes Payable:State Taxes Withheld	-78.31
Payroll Taxes Payable:SUTA Payable	26.85
Payroll Taxes Payable:Workers Comp Payable	235.58
Prepaid Membership Dues	-13,350.00
Net cash provided by Operating Activities	-560.00
FINANCING ACTIVITIES	
Net Assets:Temporarily Restricted Net Asse	1,605.50
Net Assets:Undesignated	-820.50
Unrestricted Net Assets	-225.00
Net cash provided by Financing Activities	560.00
Net cash increase for period	0.00
Cash at end of period	0.00