



Higgins Lake Property Owners Association

PO Box 55 308-B Lake Street Roscommon, MI 48653

Website: hlpoa.org email: hlpoa0@gmail.com

Ph.: (989) 275-9181 Fax: (989) 275-9182

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

November 21, 2016

The meeting was called to order by President Brad Gibson at 9:04 A.M.

Board Members Present: Brad Gibson, Herb Weatherly, Charlene Cornell, Bill Case and Ken Dennings. Jim Vondale, Dianne Wagner and Chuck Brick were present by phone during various parts of the meeting. Bob Hoffman and Dave Batchelor were absent.

Agenda: The agenda was accepted as presented.

President's Comments: Brad reminded everyone that Ron Hansen, of the Spicer Group, would be here at 10:00 to provide background on the Cut River Dam. Brad also stressed the need to identify HLPOA members interested in Board positions moving forward.

Committee Reports:

Secretary/Office Report: Approval of the October 17, 2016 minutes will be postponed until our next meeting, where we will have a majority of our members present.

Herb reported on topics discussed with our landlord, Gaylor Insurance:

- In regards to the sign for in front of our building, Gaylor proposed a different suggestion that incorporated only our logo, which did not depict what we were looking for. Herb will follow-up.
- In regards to our lease that expires December 31, 2016, Gaylor said we can continue for a two-year term, without changes, except for a 2 1/2% increase per month. A motion to renew the lease, with all terms the same and include the \$10.00 per month increase, was moved by Ken and seconded by Herb. Eight ayes, 1 nay, motion passed.
- In regards to our liability insurance, which expires next month, Herb is waiting to receive an invoice and will follow-up with Gaylor Insurance.
- Last, Gaylor will have more insulation installed later this month.

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It was agreed that Herb will draft a letter to Gaylor Insurance, including our responses, and deliver in person.

Treasurer's Report: The finances through October 31, 2016 were presented. Any questions will be forwarded to Chuck. The finances will be discussed and accepted at the January meeting, as the quorum was not met at the time this was discussed.

Membership/Communication: The new membership envelopes for 2017 arrived and the Board thanked Dianne for all her efforts.

Our newsletter, to be mailed next month, was presented by Charlene and the Board thanked all the contributors.

Riparian Committee: Jim reported he spoke with Dr. Mahoney, a retired professor from MSU, regarding boat load capacity. The Riparian Committee agreed that this approach was not feasible to assist in drafting a marina policy. Another Riparian Committee meeting is scheduled for December.

Ken provided us with a pamphlet on Public Act 56, from the Gerrish Township Police Department. This outlines the procedure for illegal mooring under the Public Act. Ken stated that Chief Brian Hill, of Gerrish Township, has helped riparians on this matter in the past and Charlene added the importance of educating riparians on the proper procedure.

Environmental Committee: Brad commended Dave on his educational tri-folds, of which a fourth tri-fold was recently created, entitled Biological Indicators of Water Quality. This will be forwarded to future HLPOA members.

PAC Committee: Brad reported there nothing new to report.

HLSIO: Ken advised that the final report for year 2, A Comprehensive Swimmer's Itch Control Program for Higgins Lake, is available on both the HLPOA and SICON websites, as well as Facebook. A summation is also included in our newsletter, to be mailed to riparians in December.

The HLSIO Board has requested competitive bids from both Ron Reimink and Curt Blankespoor, regarding a maintenance plan for 2017.

Herb asked about the funding for 2016. Jim replied that \$120,000.00 is still outstanding for SICON and a recent solicitation mailing was just sent. Ken added the HLPOA did not contribute financially to HLSIO in 2016.

Ron Hansen, Spicer Group: Guest Ron Hansen, of the Spicer Group, attended today's meeting to discuss findings of the Spicer 2010 Cut River Dam Structure. Ron is the vice-president of the Spicer Group and a Professional Engineer and surveyor. The Board is looking for background information to help establish an action plan on the lake level/dam configuration topic.

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Ron stated that the dam is a lake level control structure. Of particular interest in the 2010 Spicer Report was that in the 3 year period of 2007-2010, average rainfall had been over two inches higher than the average of prior years. This appears to indicate that a lack of rainfall has not contributed to lower lake levels observed for the period after the LCS was modified in 2007. As more data was collected, it confirmed the struggle to maintain the lake level in mid to late summer. Their recommendation was to insert a restrictor plate in the 4.75 ft. unregulated opening, to slide in and out of this opening, as the lake dropped to certain levels. In reviewing historical records, water loss was due primarily to waves and evaporation and flow through the dam. They looked at a more regimented process to bank more water in the spring time for July and August and concluded that the lake level would not be able to be maintained on a consistent basis. Erosion is one of the concerns, should the dam be removed.

With use of the restrictor plate to regulate the flow, it was roughly estimated that 1 1/2" of water could be saved per month. The plate would be out during the winter /spring period and we could realize higher levels, if managed properly. Ron added there is no source to replace evaporation in the summer, outside of using what is banked in the spring. Additionally, Ron said that a significant modification of the dam would be needed to bank water. This modification would entail adding sheet piling or stone/concrete to build up the area.

In response to a specific question, Ron indicated that he is not aware of the DNR providing any matrix, regarding sufficient water or a minimal flow to support walleye spawning in the Cut River near Houghton Lake.

The Board members thanked Ron for this informative review and for answering several questions. The Board plans to enter into discussions with appropriate organizations/individuals in the county, to ultimately reach a lake level management objective.

Local Government: Ken stated that Tim Riley lost the re-election bid and that Supervisor Dave Udy takes office at 12:00 P.M. today.

Ongoing Business: The Board held a discussion on the two pending lawsuits from previous Board members.

According to our by-laws, the 2017 budget must be in place by the end of this year. After much discussion, the Board agreed to budget #3, submitted by Chuck, dated November 18, 2016. A motion was made by Ken, to vote on an amendment, where the budget would be reviewed at our February Board meeting, where we will have a handle on donations submitted to- date. The motion was seconded by Herb. All ayes, no opposition, motion passed. A motion was then moved by Herb to adopt the budget as written, noting the amended motion, and was seconded by Ken. Eight ayes, 1 nay, motion passed.

On behalf of the Board members, a big thank-you goes out to Sally Voorheis, for her donation of printing 3,000 each of our environmental tri-folds. At our September Board meeting, the Board approved a \$1,000.00 printing cost expenditure for these and we appreciate this savings for the HLPOA!

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New Business: The Board felt a need to have a procedure in place when responding to questions presented to us from riparians. It was decided that any questions would be emailed to all Board members, where Brad will identify who best might answer. After a response has been made, Brad will then notify Board members.

The Board agreed to schedule our next meeting in January, 2017.

Adjournment: A motion was moved by Herb to adjourn and was seconded by Ken. The meeting adjourned at 11:53 A.M.

Next meeting will be January 16, 2017 at 9:00 A.M.

HIGGINS LAKE PROPERTY OWNERS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
NOVEMBER 30, 2016

ASSETS

Current Assets

Cash and Cash Equivalents	\$	1,230
Total Current Assets		1,230

Other Assets

Certificates of Deposit		20,356
Prepaid Rent		-
Restricted Cash		1,700
Total Other Assets		22,056

Total Assets	\$	23,286
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LIABILITIES

Current Liabilities

Accounts Payable	\$	-
Accrued Payroll and Withholdings Payable		889
Accrued Expenses		-
Due Environmental Fund		600
Total Current Liabilities		1,489

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NET ASSETS

Unrestricted :		
Unrestricted		10,540
Temporarily Restricted		11,257
Permanently Restricted		-
Total Net Assets		21,797

Total Liabilities and Net Assets	\$	23,286
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**Higgins Lake Property Owners Association
Eleven Months Ending November 30, 2016**

	Actual	Annual Budget	Variance Fav/(Unfav)
REVENUES:			
Membership Dues	\$ 37,650	\$ 39,375	\$ (1,725)
Other (General)	\$ 2,765	\$ 4,500	\$ (1,735)
Legal Fund Donatioins	\$ 2,268	\$ 6,000	\$ (3,732)
Interest on Savings & CD's	\$ 1.82	\$ 40	\$ (38)
MSIP Contributions	\$ -	\$ 1,000	\$ (1,000)
Directory Advertising	\$ 5,225	\$ 3,500	\$ 1,725
TOTAL REVENUE	\$ 47,910	\$ 54,415	\$ (6,505)
OPERATING EXPENSES			
Office	\$ 5,430	\$ 6,436	\$ 1,006
Payroll	\$ 8,563	\$ 7,800	\$ (763)
Other Administrative	\$ 17,687	\$ 11,000	\$ (6,687)
Lobbyist	\$ 21,000	\$ 21,000	\$ -
Water Quality Study	\$ 2,600	\$ 2,600	\$ -
Miscellaneous Expense	\$ 3,615	\$ 500	\$ (3,115)
Satisfaction of Legal Costs	\$ 14,061	\$ 5,000	\$ (9,061)
ORGANIZATIONAL SUPPORT	\$ 710	\$ 740	\$ 30
TOTAL EXPENSE	\$ 73,666	\$ 55,076	\$ (18,590)
NET INCOME	\$ (25,756)	\$ (661)	\$ (25,095)

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12/23/16

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

	<u>Jan - Nov 16</u>
OPERATING ACTIVITIES	
Net Income	-25,756.39
Adjustments to reconcile Net Income to net cash provided by operations:	
Cash:Checking Account	17,515.76
Cash:Petty Cash	-44.65
Cash:Savings Account	2,942.32
Certificates of Deposit	20,365.00
Legal Account:Restricted Cash	-1,117.58
Accounts Payable	-1,012.57
Accrued Rent	-395.00
Due Environmental Fund	600.00
Payroll Taxes Payable:Federal Payroll Taxes	14.54
Payroll Taxes Payable:State Taxes Withheld	-55.07
Payroll Taxes Payable:SUTA Payable	34.09
Payroll Taxes Payable:Workers Comp Payable	282.05
Prepaid Membership Dues	-13,350.00
Net cash provided by Operating Activities	<u>22.50</u>
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	<u>560.00</u>
Net cash increase for period	<u>582.50</u>
Cash at end of period	<u><u>582.50</u></u>