



# Higgins Lake Property Owners Association

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

## Higgins Lake Property Owners Association Board Meeting Minutes September 19, 2016

The meeting was called to order by President Brad Gibson at 9:01 A.M.

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

**Agenda:** Dave said he had additional reports to include today, which Brad said would be added in the environmental portion of the meeting.

**President's Comments:** Brad shared that he invited guest Kevin Kessler to attend today's meeting, for discussion of his analysis of the MSU and U of M reports for the study titled "Ecohydrologic Evaluation of Removing the Higgins Lake-Level Control Structure."

**Minutes:** The August 15, 2016 minutes were accepted by Herb and seconded by Ken. All ayes, no opposition, motion passed.

### **Committee Reports:**

**Secretary/Office:** The Board discussed the strong performance of administrative assistant, Kathleen Barger. Herb recommended that the board follow through with a \$0.50/hour raise which was proposed at her time of hire for good performance, effective October 1, 2016. The motion was seconded by Chuck. All ayes, no opposition, motion passed.

Herb then spoke of his meeting with Gaylor Insurance, also attended by Bob McKellar, to discuss our board's Director and Officer insurance, which is up for renewal this fall. Herb explained that the recommended insurance plan would be 1 policy, covering both the Board and the office, with \$1 million coverage. The proposed cost for the combined policies is \$843.00, a significant increase in coverage

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with a significant cost savings over the previous two policies. Payment will be via an EFT (electronic funds transfer); only half would be required this calendar year. A motion to accept this liability coverage was moved by Ken and seconded by Dave. All ayes, no opposition, motion passed.

A discussion was then held regarding an HLPOA sign in front of our building for additional exposure and for easy location of our office to the public. Herb had researched the cost for a sign and thought this could be accomplished for approximately \$300.00. Also, Kathleen suggested that a sign be posted to our office door (no cost), to include our office hours and phone number. A motion to pursue signage, for both the front of the building and on our front door, was moved by Ken and seconded by Herb. All ayes, no opposition, motion passed.

Last, Herb shared that the Dell Tech Concierge service plan had been purchased for our computer.

**Treasurer's Report:** Chuck presented the financial statements through August 31, 2016, noting that we are in good financial health, with total assets of \$38,788.00. Chuck noted that while this is down from last year, several extraordinary expenses were incurred in 2016 with Swimmer's Itch, PAA lobbying and legal fees for litigation by two former board members against the HLPOA.

Chuck added that he will have our 2017 budget outlined for the next meeting. A discussion was held regarding the dollars to be budgeted for lobbying efforts next year. Jim said that there would be some increase this year, while Ken stated that he is concerned that other lakes are not sharing fully in these costs. Brad suggested speaking to John Lindley from PAA to see how non-profit organizations could contribute. Jim will attempt to set some criteria to share in the lobbying efforts and also research which non-profits are 501(c)(3) or 501(c)(4) organizations. It was agreed that both Jim and Brad will then contact Mr. Lindley.

Brad added that he would draft a solicitation letter, asking members to contribute towards the Riparian, Environmental and Legal funds.

**Membership/Communication:**

Dianne distributed a draft of the new membership envelope for 2017. Board members made some suggestions that Dianne will incorporate. Bill asked if we knew the fees for other lake associations, which will be researched.

**Riparian Committee:** Jim had a follow up conversation with Ed Nellist, Supervisor of Lyon Township, regarding AmVets and various riparian enforcement issues, including both land-based and lake-based concerns. Jim told Ed that the HLPOA wants to work with Lyon Township and reiterated that making members aware of procedures for enforcing violations was important. Jim will be scheduling another Riparian Committee meeting and work to include the Roscommon County Road Commission and County Prosecutor who were invited but could not attend the prior meeting.

A discussion was held regarding the Administrative Appeal of the DEQ permit decision for AmVets and the filing of litigation in the Roscommon County Circuit Court. A motion was then proposed dealing with

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the sharing of costs with neighboring riparians. The motion was moved by Herb and seconded by Ken. Six ayes, 1 nay and 1 abstained. Motion passed.

**Environmental Committee:** Dave discussed his meetings with both Glen and Crystal Lake Associations, in regards to the operation of their boat washes. These two boat washes are successful and mandatory, per Township ordinances. It was noted that what happens on other lakes, can affect all lakes. Dave also spoke to Huron Pines, in regards to staffing the North Higgins Lake State Park boat wash with Americorps personnel, but these positions have already been allocated for 2017. Dave will attend the Roscommon County Commissioner's meeting for further discussion.

Dave also reviewed three tri-fold pamphlets created by the Environmental Committee on 1.) Invasive Species, 2.) Nutrients and Water Quality, and 3.) Shoreline Erosion and Management Practices. Dianne stated that these brochures are highly informative and educational. It was agreed by the Board members to email one per month to members, plus include hard copies in our upcoming annual membership solicitation. Dave thanked HLPOA member Sally Voorheis for printing 1,000 of each brochure at no cost to the HLPOA. It was estimated that it would cost approximately \$1,000.00 to print an additional 6,000 copies (2,000 of each) for our mailing in December. A motion was moved by Dave to approve this expenditure and was seconded by Chuck. All ayes, no opposition, motion passed.

**PAC Committee:** Brad noted that interviews will be held here on September 28 at 10:00, for two seats on the Roscommon County Road Commission.

**Swimmer's Itch Committee:** Ken reported on the August HLSIO fund raiser, where \$15,000.00 was raised. Both food and beverages were donated by Fred's Restaurant. After expenses, the net profit was \$11, 543.00.

Jim added the need to expedite discussion on the HLPOA lobbyist funding, which was previously discussed.

**Local Government:** Herb reported that Gerrish Township posted a Marina Manager position, with a \$24,200.00 annual salary.

At the Roscommon County Commissioner's meeting, Herb reported that Treasurer Rebecca Regan suggested selling bonds at a reduced rate to cover maintenance for the drainage districts. Herb added that all Townships will have to post a bond to ensure delivery of our taxes.

**Dam Study Overview:** Guest Kevin Kessler gave an informative and preliminary analysis of the MSU and U of M studies identified above. Kevin is a mathematical biologist and applies his modeling field expertise to various areas. He concluded that a number of assumptions were made that were not substantiated. The Board thanked Kevin for giving them more insight into this study.

**Ongoing Business:** A discussion was held on pending lawsuits.

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**New Business:** A discussion was held regarding our lease with the State of Michigan, for the operation and maintenance of the North Higgins Lake State Park boat wash and how to proceed. Dave and Chuck attended a meeting a September 12 that included both supervisors of the South and North State Parks. HLF was invited, but did not attend. The concern is, what can we afford to do to mandate boat washing? Dave stressed the need to protect the lake and said that distributing literature could be very useful. Dave added that he would like to continue to explore options and meet with the DNR and DEQ for their assistance and to cultivate partnerships, which in turn would give value to our members.

**Adjournment:** A motion was made by Bill to adjourn the meeting and was seconded by Dave. Meeting adjourned at 1:26 P.M.

**Next meeting will be on October 17, 2016 at 9:00 A.M.**

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

**ASSETS**

<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 11,042
<b>Total Current Assets</b>	11,042
 <b>Other Assets</b>	
Certificates of Deposit	20,356
Prepaid Rent	-
Restricted Cash	1,638
<b>Total Other Assets</b>	21,994
<b>Total Assets</b>	\$ 33,036

**LIABILITIES**

<b>Current Liabilities</b>	
Accounts Payable	\$ -
Accrued Payroll and Withholdings Payable	914
Accrued Expenses	-
Unearned Revenue	-
<b>Total Current Liabilities</b>	914
<b>Total Liabilities</b>	914

**NET ASSETS**

Unrestricted :	
Unrestricted	21,600
Temporarily Restricted	10,522
Permanently Restricted	-
<b>Total Net Assets</b>	32,122
<b>Total Liabilities and Net Assets</b>	\$ 33,036

**Higgins Lake Property Owners Association**  
**Nine Months Ending September 30, 2016**

		<u>Actual</u>	<u>Annual Budget</u>	<u>Variance Fav/(Unfav)</u>
REVENUES:				
Membership Dues	500 Members	\$ 37,500	\$ 39,375	\$ (1,875)
Other (General )		\$ 2,655	\$ 4,500	\$ (1,845)
Legal Fund Donations		\$ 2,268	\$ 6,000	\$ (3,732)
Interest on Savings & CD's		\$ 1.60	\$ 40	\$ (38)
MSIP Contributions		\$ -	\$ 1,000	\$ (1,000)
Directory Advertising		\$ 5,225	\$ 3,500	\$ 1,725
TOTAL REVENUE		<u>\$ 47,650</u>	<u>\$ 54,415</u>	<u>\$ (6,765)</u>
OPERATING EXPENSES				
Office		\$ 4,474	\$ 6,436	\$ 1,962
Payroll		\$ 6,534	\$ 7,800	\$ 1,266
Other Administrative		\$ 14,773	\$ 11,000	\$ (3,773)
Lobbyist		\$ 18,000	\$ 21,000	\$ 3,000
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>\$ 62,346</u>	<u>\$ 55,076</u>	<u>\$ (7,270)</u>
NET INCOME		\$ (14,696)	\$ (661)	\$ (14,035)

10:36 AM

10/04/16

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

	<u>Jan - Sep 16</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	-14,696.49
Adjustments to reconcile Net Income to net cash provided by operations:	
Cash:Checking Account	12,703.96
Cash:Petty Cash	-71.98
Cash:Savings Account	-2,030.79
Certificates of Deposit	20,365.00
Legal Account:Restricted Cash	-1,637.56
Accounts Payable	-1,012.57
Accrued Rent	-395.00
Payroll Taxes Payable:Federal Payroll Taxes	172.24
Payroll Taxes Payable:State Taxes Withheld	-101.48
Payroll Taxes Payable:SUTA Payable	40.42
Payroll Taxes Payable:Workers Comp Payable	189.25
Prepaid Membership Dues	-13,350.00
Net cash provided by Operating Activities	175.00
<b>FINANCING ACTIVITIES</b>	
Net Assets:Temporarily Restricted Net Asse	870.50
Net Assets:Undesignated	-820.50
Unrestricted Net Assets	-225.00
Net cash provided by Financing Activities	-175.00
Net cash increase for period	0.00
Cash at end of period	<u>0.00</u>