

**Bay Lake Improvement Association
Board of Director's Meeting
April 22, 2017
Ruttger's**

Officers/Directors	Present	Committee Chairs/Others	Present
Bruce Johnson – President	x	Jim Bye - Runtilla	
Phil Rollins – Vice President AIS Prevention		Paul Erickson – History	
Chris Gondeck – Treasurer	x	Sylvia Graff- Transitional Treasurer	
Jennifer Qualen –Secretary		Karl Krueger – Water Safety	
Dominic Ciresi – Past President Environmental Funds		Larry LaTourneau - Security	x 10:30
Terry and Debbie Coss Water Quality	x	Gary Malek – Fishing Resources	x
David Devins Aquatic Plant Management	x	Betty Marquardt- Membership	x
Josh Goolsbee Fireworks		Scott Shekels - Website	
Amy Grady Legal - Beach Captains	x	Brent Souder - Conservation	
Bobbie Keller Breezes		Tiffin Tripp – Shoreline Protection	
Chris Ruttger Nominating	x	Guests	
Steve Souder			

The meeting was called to order by President Bruce Johnson at 9:00 AM. He welcomed everyone and thanked Chris Ruttger and Ruttger's Bay Lake Lodge for providing the space along with the coffee and rolls this morning.

Secretary's Report

Jennifer Qualen - No prior minutes to approve at this time.

Treasurer's Report

Chris Gondeck – Chris presented the financial status of the association and noted that last year the association had a surplus of approximately \$55,000. Chris also stated that we have approximately \$500,000 in assets in various banks located in the Twin Cities and the local area. He also reported that expenses for the current year to date are approximately \$5,300. Chris distributed a list of the association's bank accounts and the authorized signatures for each. He expressed a desire to see some consolidation of these accounts and a need to update the authorized signatures on each of them. Chris also distributed an outline of the process and procedures we follow for handling incoming funds to the association and the various controls in place to protect the integrity and safety of those funds; both from online contributions and those received by mail. Chris also wanted to make sure that the board understood that the association's financial records have been audited by an independent CPA firm since 2003 and have always received an excellent review. Chris also reported that his longtime assistant, Heidi Thompson, was taking on new duties at his company, but will remain somewhat active on the association's accounts; transitioning out of her duties over the next few months. Chris explained that she will be missed, but that he and Marlene Waller, at Paper Plan It, have already discussed how things will be handled going forward. Marlene will be taking on more responsibilities for the association and will receive additional compensation as a result. He's confident that there will be no problems and things will run smoothly as in the past.

Chris also reported that the association, as a 501.c3 corporation, will be required to file a different tax form this year which is somewhat complex and suggested that we hire the accounting firm that does our audit to also complete and file the tax return. This would cost the association an additional \$500 over the audit fee.

A Motion was made by Bruce Johnson and seconded by Betty Marquardt, to authorize Chris Gondeck to engage the accounting firm to complete the association's tax return as well as doing our annual audit. In addition, to authorize Chris to reach an agreement with Marlene Waller on compensation for her new duties on behalf of association: Unanimously approved.

A Motion was made and seconded to approve the Treasurer's report as presented; unanimously approved.

Following the treasure's report, there was a lengthy discussion regarding the various bank accounts and respective signatures authorized for each of them. It was agreed that as a practical matter there should be multiple authorized signers for each account.

A Motion, by Amy Grady, was made to update the authorized signatures on all bank accounts to include The President, The Treasurer and at least one other board member who resides in the area of said accounts; being either in our local Deerwood area or the Twin Cities metropolitan area; those authorized at this time being Chris Ruttger for the Deerwood area accounts and David Devins for the metropolitan area accounts. Heidi Bye is also to be an authorized signature on the two (2) Runtilla accounts at Wells Fargo Bank. The motion was seconded by Chris Ruttger; unanimously approved.

A Motion, by Terry Coss, was made to recognize Sylvia Graff for her many contributions and years of service to the association at this year's annual meeting. The motion was seconded by Betty Marquardt; unanimously approved. Bruce will arrange for a plaque to be made for presentation to Sylvia.

Membership

Betty Marquardt - Betty reported that we have had only 6 members signed up as of this date and that we have \$100 in donations for fireworks, so far this year. She stated that she saw a significant increase in the use of the online donation system (Vanco) last year and noted that it really was a lot easier for her when memberships are done online. Betty requested that the association to continue to encourage the use of the online system and she also requested that all board members be encouraged to join early, which helps set the example for our other members. It was agreed that the association will encourage the use of the online system for memberships and donations via the "Blasts" done by Paul Erickson and through articles in the Breezes.

Aquatic Plant Management

David Devins reported that last year's treatments for Eurasian Watermilfoil went very well and that this year's treatments will take place near the end of June and the beginning of October as in past years. David noted that we will no longer need to use the signature cards from property owners for approval to treat areas in front of the respective properties as long as we give all owner's the opportunity to opt out of the treatment process, which can now be done online on our website. David also noted that Echo Bay continues to have some very bad pockets of milfoil that get treated every year.

Beach Captains

Amy Grady distributed an excel spreadsheet listing all new property owners on Bay Lake that have purchased over the last five or six years. She is beginning to make Welcome Books for these new owners and will begin with the most recent purchasers and work her way down the list. She asked the board members to review her list and let her know if any of us know specific people and would be willing to deliver the books to them. She also asked everyone to let her know if she is missing someone or when we have a new owner in our area that should get a book.

Church Island

Gary Malek gave us an update on what's going on with Church Island this summer. Gary reported that Wayzata Community Church would be renting the island for the months of June and July for the purpose of running their own children's camp. He said that the church was using this summer as a trial period with the possibility of purchasing the island at some point in the future. He noted that Wayzata Community Church has run a children's camp for many years at another location but outgrown those facilities. He also noted that security for the children was a top priority for the church and that there would likely be some changes made to the accessibility of the island while camp sessions were being held. Gary said that there will be an email blast from Paul Erickson, highlighting this new use of the island, coming out soon.

Water Quality

Terry Coss reported that winter sampling done in February showed a huge spike in the phosphorous level in the lake. The level was two and a half (2 ½) times higher than last year's sample and was the highest level we have had since we started recording the data. Terry noted that we take samples from four different locations on the lake, all where deep holes exist. He also explained a number of reasons why the level might have risen, but that he was perplexed about why it was so dramatically higher. Terry also said that he will be studying all of the data he has for the past few years, including weather patterns, to see if he can identify the reasons for the increased level more specifically.

Fair Market Value

The board members, led by Chris Gondeck, then discussed establishing a fair market value, for tax purposes, for those items that may be given away by the association or those members who may be running various fund raising events on behalf of the association. The various events were reviewed along with the typical items associated with each of them and it was agreed that there was no significant market value to any of those items and therefore there would be no need to declare a given value to the recipients of any item.

Fireworks 2017

Bruce Johnson, on behalf of Josh Goolsbee, reported that the fireworks displayed last were terrific, as always, and both the Fourth of July show and the New Year's Eve show were very well attended. Bruce stated that Josh would like to continue both shows and possibly add a special "Jet-Pak" finally to the Fourth of July display. He explained what the "Jet-Pak" event consisted of and needed to get some financial costs together if it were added. This topic was tabled for a later meeting when Josh might have costs available. The budget for fireworks was discussed and

A Motion was made by Bruce Johnson and seconded by Chris Gondeck, that fireworks be given a budget of \$15,000 with \$12,000 going to the Fourth of July display and \$3,000 going to the New Year's Eve display; unanimously approved.

AIS Report

Phil Rollins submitted a report in writing which was presented to the board by Bruce Johnson. A copy of Phil's report is attached to the minutes. His budget request is for a total of \$51,200 and a breakdown of those expenses is below:

\$ 31,000 1,960 total hours – 450 CWC hours – 225 DNR grant hours
– 80 DNR hours = 1,200 hours x \$16 = \$31,000
\$ 2,700 DNR Inspectors thru grant program (225 x \$12)
\$ 9,000 Crooked/Portage Inspectors
\$ 2,500 iLids
\$ 2,000 4 Scuba dives at access
\$ 500 Testing and detection devices
\$ 3,500 Reserve for unexpected expenses
\$ 51,200

A Motion was made and seconded that the budget for AIS Prevention be established at \$51,200 as requested by Phillip Rollins: unanimously approved.

Holiday Party

Bruce Johnson asked for an update on the Holiday Party, noting that Sylvia Graff had apparently announced, at last year's party, that she was turning the Chairmanship over to Louise Sorenson, who would be assisted by Ellen Brandt. Bruce wondered if any of the board members had communicated with Louise and if she knew that she was welcome to participate in the board meetings. Bruce said he would contact Louise and let her know.

Membership Communications

Bruce then opened discussions regarding two communications sent to the board of directors, through him, being a letter from Michael Kelly and an email from Marshal Anderson.

Mr. Kelly wrote that he thought the association should consider changing our By-Laws to provide for an additional membership category of "Emeritus Members". These members would then be granted a position on the board of directors as "Board Members at Large". The selection of these members would come from past Officers and Directors who have served for many years as distinguished and valuable members of the association. It was agreed that this was a worthwhile suggestion and deserved further consideration, but that it had to be looked at very closely because of the complexity and difficulty in establishing the criteria that these members would be based on. Concern was expressed about how the process would be managed, where would we start evaluating participants and how to make the criteria remain the same from year to year as the board members and officers change. Bruce Johnson will write a letter back to Mr. Kelly thanking him for his suggestion and letting him know it will be taken under further consideration.

Mr. Anderson wrote that he was concerned that a number of property owners on his shoreline were not members of the association and he wondered if all property owners got

the association mailings or just our current members. It was noted that originally The Breezes was a publication intended as a benefit of membership for our members.

It was agreed that there was really no reason it could not be sent to others, particularly as a recruiting tool for new members. It was also noted that the other mailings could be sent to others as well if they are not already being sent. Bruce Johnson will call Mr. Anderson and let him know we are looking into the mailing list being used and we will indeed expand that list if we can. Bruce will also tell Mr. Anderson about the efforts now being put forth by our Beach Captain Committee and the new Welcome Book that is being distributed.

There being no further business or discussions, the meeting was adjourned by a motion made and duly seconded at 11:00 AM.

Respectfully Submitted by Bruce Johnson and Amy Grady
on behalf of Jennifer Qualen,
Secretary.
