

**Ann Lake Property Owners' Association
Board Meeting Minutes**

Date August 29, 2019

I. Call to Order: 2:00 PM

II. Roll Call of Officers and Board:

President	Dave Maxson	Present
Vice President	Kent Taylor	Present
Treasurer	Kathy Taylor	Present
Secretary	Maggie Sowers	Present
Member at Large	Sven Anderson	Present
Member at Large	Terry Sowers	Present
Member at Large	Sue Sharp	Present
Member at Large	Julee Parker	Absent

III. Approval of Minutes from last meeting: Minutes from the June 17, 2019 and June 29, 2019 Annual Meeting were approved incorporating some minor corrections.

IV. Report of Officers:

President: Dave Maxson has no report.

Vice President: Kent Taylor has no report.

Treasurer: Kathy Taylor

A. Audit Materials have been passed off to Dave. Kathy states the bank statement is \$30 more than her reckoning. She asks Dave to try to find the discrepancy. She notes that some members have paid for three years and subscription to Michigan Riparian is included. We need to decide how this should be reported in the annual budget. Right now this is under cash.

B. Kathy has not yet had a chance to make a formal treasurers report/ statement because she spent so much time trying to find the above budget discrepancy. She does report the current balance as \$6800. We have 90 members.

C. Dave sent letters to previous members who have not paid this years dues. There are 6 renewals as a result of these letters which is better than 50% response. One of those renewals included a donation of \$100.

D. Earlier this month Kathy sent some budget information related to the Web Site problems and solutions. (See below) Dave wishes to have an up to date financial report to determine if there is a need for budget revisions.

Secretary: Maggie Sowers no report.

V. Report of Standing Committees:

Communications:

Events: Maggie reports:

A. Annual Meeting attendance was 24 of these 7 were board members. We discussed reasons for the poor attendance.

1. Blue Angels were performing in Traverse City on that date.
2. The average (older)age of our membership may prevent participation.
3. The date of the meeting (so close to July 4) may discourage participation.
4. The need to prepare a dish in order to attend a meeting. Perhaps we should make it a morning meeting serving coffee and donuts only.
5. The same people attend every year. Very few newcomers.
6. The meeting is long. Perhaps we should shorten the meeting.

After discussion it was decided we will try a morning meeting serving donuts and coffee. Next year the meeting will be June 27, 2020 at 10:00 AM. In the future we will decide year by year when the meeting will take place.

Expenses associated with the Annual Meeting have not been submitted to the treasurer.

B. PPPR participation total roughly 17 and 12 were from the same family. Which means 5 participants were not.

C. T-shirts total 41, \$697 income. \$642 expense to Alfie. Net \$55.

Of this 41 T-shirts 20 were from the same family and 10 from another family, 4 from Board members and 2 from station masters.

D. Pizza had no attendants.

E. I strongly recommend we discontinue the PPPR and Pizza Party. No interest from membership. **Terry Sowers made a motion to eliminate social functions; the PPPR, Summer Swan Song Soiree, Pub Crawl. Sven seconded it. Motion carried unanimously.**

Newsletter: See website report.

Website: Kathy reports:

A. Our website has been hacked three times. Somehow the malware is associated with our name. The host website (Blue Host) said we were too infected and they shut us down. We investigated the cost of repairs. One estimate would cost \$450 to repair and \$100 annual to maintain. Scott found a different malware service for \$100 to do the initial clean up and \$50 annually for monthly scan. We could keep our website name and restore our information and make a back up of that. We have only been doing back ups annually and we should improve this. Currently we pay \$122 per year for website hosting and maintenance is free through volunteers-(Kathy, Scott and Arnie). Earlier this summer Kathy sent emails explaining the problem. (Full emails are below). She also notes that Scott is available for telephone consultation at this time.

B. Kathy asks if we want to continue to have a website. She thinks it is important for us to have one. We have about 200 hits per day. She cannot tell us where these hits are from, but she can say that for June and July 7000 hits were from within the United States. There were also some from Moldova, Taiwan and China.

C. Sven wonders why we don't eliminate the winter and summer newsletters to save expenses, putting that information onto the website. Kathy notes that some of our members want a hard copy of a newsletter. Most of the members already receive their newsletter via email. Kent notes the Annual Meeting must be announced one month prior to the meeting. This has been the purpose of the summer newsletter.

D. Dave asks what purpose the website serves and is it in line with our bylaws and articles of incorporation. He notes the expense and work of maintaining a website is basically to serve only the 200 lake front owners of Ann Lake. Kathy responds the purpose of the website is to disseminate information to our members. Various board members reported how they use the website. It is noted that having a website promotes our transparency to a larger population not just lakeshore owners.

E. Kathy moves that we spend \$100 to clean up and restore our website and \$50 annually for monthly preventative maintenance. This proposal would have a duration of three years at which time we shall reevaluate the service. Seconded by Maggie. Passed unanimously.

F. Kathy believes this can be done within two weeks.

Environmental:

Invasive Species: Kent Taylor reports

A. Purple Loosestrife is being pulled by ALPOA volunteers but small patches of growth still remain in a couple of places on the lake shore. We continue to notify those property owners of the problem.

B. The Lake Survey was done August 13, 2019. PLM did not find any evidence of invasive species.

C. Dave adds that he and Sven spoke to Mark Roper before the PLM testing was done. Kent was away. They asked what the township will do if an invasive species is found. Mr. Roper said the sense of the township board is that Lake Ann and Pearl Lake are assets of the township and that if an invasive is found the township will first want an assessment to determine the expense and duration of treatment. Depending on the results of that assessment they will work with us. If it is something that can be treated relatively inexpensively in a year or two they will find room in their budget. And if it is something that will be ongoing they will take the lead in setting up a PDA.

D. There was discussion about recent developments at Herendeen Lake. No one on our board knows if there are plans to treat invasives there. Kent will call the DNR and ask if we can get signage reminding fishermen to wash their boats.

Loans: See New Business regarding Buoys.

Water Quality: Dave Maxson reports:

A. He continues to do water testing. We will not get the report from the lab on Chlorophyl and Phosphorus until sometime this winter. Clarity is very good and tests are running consistent with past tests. Dissolved oxygen is also consistent. There is no evidence of deterioration per Dave's visual testing.

VI. New Business:

A. Budget items need to be discussed.

1. We need to order new postcards. In the past we have ordered these from Vista Print. There was discussion about the verbiage on the current postcards. It serves as a reminder for members to renew. We can order the postcards with the pictures for winter and summer then add the wording later. It costs about \$90 to send the postcards each time. The postcards trigger earlier payment of dues. When we send winter postcards we get dues earlier in the year and the summer postcards serve as reminder for annual meeting.

2. Regarding Michigan Riparian. In earlier days the subscription was a free benefit of ALPOA membership. A few years ago we decided to charge 1/2 the cost of Michigan Riparian for early membership. We wonder if this is a benefit we wish to continue. Discussion followed.

a. We only give this service to those members who want to receive the journal.

b. The subscription runs from April to April and about 1/3 of our members subscribe.

c. If an ALPOA member subscribes through ALPOA they receive a \$2 discount. A member may subscribe on their own.

d. Kent notes that historically this has been perceived as a worthy source of information for lake front owners and ALPOA members.

e. Terry Sowers motions that we amend our current practice of paying for 1/2 the cost of the Michigan Riparian for our members. As a benefit of membership the Michigan Riparian is still offered to ALPOA members at the association discount. Susan seconded it and the motion is carried unanimously.

f. The actual cost of the Riparian is subject to change by the publisher. The discounted cost to our members will be printed on our (winter) postcards.

3. Kathy reviewed the mailings for our members A postcard at the end of January to all lake shore owners and another in May to members only. An email only newsletter in February. A summer newsletter in June to all lake front owners. And a please renew reminder after the annual meeting. Terry suggests that the summer newsletter be sent via email. Kathy states there are 21 members who want hard copies and also we send a hard copy to all lake shore owners who we do not have an email for.

4. Kathy asks if our methods for communication to our members is too costly. Kent notes that a hard copy arriving in the mail to those who have never been members is probably more effective as these people are unlikely to go to a website to learn more. He also notes that membership generally increases when there is a common problem.

5. Maggie suggests we put together a budget sub-committee to evaluate our entire budget over the winter and make necessary changes next year.

6. Kathy reviewed the current budget and notes that our revenue meets our necessary expenses. All agree it is our responsibility to be fiscally responsible with ALPOA monies.

7. Dave recalls that we decided we need insurance when the PPPR started as there might be liability. Kent states that board members are protected from personal suit by corporate status. Now we have a \$10,000 CD which may put us at risk for liability because we have more assets. Kent suggests that if we interject ourselves in how other people are managing their property, and our interjection results in a loss of value, we could be held liable. Kent suggests we ask our insurer about our coverage and what we may need. He will also ask if we can purchase

adequate insurance at less expense. Dave volunteered to talk to our insurance agent. He will report to the board via email.

8. Water levels: At the annual meeting Scott Hedberg asked ALPOA the shoreline erosion related to high water levels. Sue recalls the speaker at our annual meeting gave a few excellent ideas for preventing shore line erosion. Kent notes that wake board boats contribute to the problem. We all agree that individuals can and should petition the township and county to clean the culverts and try to control wake boat usage. However, it is not in the purview of ALPOA to try to take action regarding these two causes of shore line erosion. We cannot monitor or control the behavior of other people if they are within legal limits. We can try to educate people about good shoreline stewardship but this must be done in a way that does not alienate others. Dave will send a response to Scott. He will send a draft of his response to board members prior to sending it to Scott.

9. Kathy received an email from her neighbor asking if we can get a “no wake” buoy near the inlet to Platt River. Kathy sent the request to the DNR who redirected her to the township. She asks what the official ALPOA response should be regarding requests to monitor and control behavior on the lake. Again, as a property owners association it is not in our purview and requests such as these should be brought forward by the individual property owner.

10. Maggie shared a letter she sent to the township regarding recent tree removal on an east shore Ann Lake property. It appears to be within the greenbelt and the tree removal seems to be against township zoning laws. The concern is that the township is not enforcing their own laws. Maggie suggests that public education regarding lake protection (greenbelt, invasive species, water purity, water level wake boats etc.) is the only way for ALPOA influence the public opinion. Discussion followed about how well the township enforces these zoning laws. ALPOA does not wish to become the enforcer of township rules as this will likely alienate the public. It is suggested that as private citizens we (members of ALPOA but not speaking for ALPOA) can speak for three minutes about how these zoning rules are not being enforced by the township. It is also noted that when the rules have been challenged in the past, the government has treated each case on an individual basis. One suggestion is that we approach the township to find out if they would be amenable to forming an Ann Lake watershed protection group. The purpose of this group would be to educate users of the lake on good use practices. Various suggestions were made on how we can do this. Kent suggests we use the Homecoming booth as a step to achieve some of these goals. Sven suggests we invite the zoning administrator to our annual meeting as the guests speaker on the shore line zoning rules.

VIII. Meeting Adjourned: 4:35 PM Next Meeting TBA.

Respectfully Submitted,

Maggie Sowers

Addendum:

Email thread in July regarding website hacking

Email #1 from Kathy Taylor to Board.

ALPOA Board,

If you have tried to get on the website, you will find that the website is quarantined. This occurred on July 19th. The web committee (Arnie, Scott and I) met today to discuss the problem and options. First some background:

- The committee divides its work as follows: Scott maintains the server interface; Arnie maintains the plugins and backups; Kathy provides the content.
- Our site is hosted by BlueHost.com; that means, they provide the server space for hosting our web site and manage the domain name (annlake.org).
- We use WordPress to create and manage the website. This is FREE software that we use.
- We use many Plugins to provide different features on the website. For example, weather information on the home page is provided via a Plugin. All our plugins are free.
- We have been hacked at least 3 times. The first time was done by Japanese where essentially our name annlake.org was redirected to a Japanese page (Scott corrected this but I am not sure how long it took or what he did). The second website was this spring where we got what we refer to as "the white page of death". Scott corrected this but had to return to a backup from 2017 that was on BlueHost (essentially on the website); Arnie later updated to a 2018 backup that he had done remote from BlueHost (he had put the date on a dropbox). So it is possible that when it was restored, the problem was restored with it. We are still investigating this third hack but BlueHost has quarantined us so that we don't effect their server. They have told us that we have some Malware embedded in the host which is somehow attached to our host name.

Essentially we have been running the site with free software (we only pay for the hosting location for about \$125/yr) and when it is free, you sometimes get what you pay for. BlueHost recommended Scott talk to a company which I believe he called SafeSite (I might not have the name correct but the pricing is correct) to help us clean up and protect ourselves. SafeSite talked about 3 things; cleaning our existing site, providing a plugin which will protect your site from future malware attacks (think of this like Norton or McAfee) and third providing a firewall. Most security service providers provide both malware protection and firewall as one package. This is equivalent to buying an alarm system (malware protection) and also locking your doors (firewall). You need them both. So here is the information we have so far:

- SafeSite provide a service to clean the website for \$300; no malware protection or firewall included.
- SafeSite has a package for malware and firewall they offer that costs \$600 (if we pay monthly), \$500 if we pay at one time. They were talked down to \$450 for a one time payment. They will provide the site cleanup for free.

- We are looking at other companies that provide similar service. Scott found one that will provide the firewall and malware for \$10/month and will also clean the site for free.
- I chatted online with the web hosting site that Kent used when he ran his own business, Network Solutions, and they have a product called SiteLock911 + Defend for \$400 (I think SiteLock may be the same program as the one Scott investigated but have only done an online investigation, haven't talked to anyone directly to compare info).
- The problem seems to be tied to the website name, annlake.org. We can abandon that name and create a new website. We could run this new website as we have run the existing website for free until we get hacked again but remember, we have been sending out all are newsletters, etc. with links to the website so all these links would be meaningless.
- We could abandon using a website all together. Scott is investigating how often our website is accessed.
- We could create the Facebook group which has limited functionality. We could not have different pages for each committee. We could create a Files dropdown which would contain all the pdfs we want (eg., the newsletters, invasive reports, minutes, etc) and a Pictures dropdown but that seems to be the only functionality it provides. When you access the drop down, you get a list of pdfs, so we would need to make sure we have a clean naming system so people can easily find what they need.
- We could move from BlueHost to another service, eg. GoDaddy, but if the malware is association with our site name, the committee felt the problem would just follow us to a new location. Also, usually the web hosting provider also manages the host name. That is included in BlueHosts fee. If we move our website to a different provider, we would either have to move our domain name management which would cost under \$20 (guess) or let BlueHost continue to manage it for \$15/year.

So we need to discuss how much money we want to invest in the website/facebook option:

For no cost we can do the following:

- create a new website with a different name with no protection; again this will buy us longer time and will mean a lot of work for the committee since we will have to recreate the website from scratch. While this does not have a financial cost, there is a LOT of volunteer time to recreate the website. Frankly, the committee really hasn't talked about the amount of effort or time this would require.
- drop the website and go to Facebook with limited functionality (this would also eliminate the cost of the server). Again, we would need to decide what we want to post and again, not sure the amount of effort this would take to upload all the information.

To keep and protect the existing website we have found the following:

- clean the existing website but add no protection for \$300. Arnie is looking to see if there is a free plugin to provide any malware protection but again, when it is free you get what you pay for. Since we have been hacked 3 times under this name it appears that it will only be a matter of time until we are hacked again. Since the problem appears to have been introduced through a plugin we could try to eliminate as many as possible.
- one service that was found but we have not spoken to yet advertises a free cleaning with malware and firewall for \$10 month
- SafeSite (recommended by BlueHost) will clean and provide malware and firewall for \$450/year
- Network Solutions has a series of packages but the one I think we would want is \$400/yr but their web hosting costs seem to be slightly higher than BlueHost

The committee is still investigating options but need to get a feeling from the board as to how much we are willing to spend. If we want to keep the existing website, it will cost from \$120 to \$450 each year in addition to the cost of the web hosting. Due to other conflicts, little if any additional investigation will occur until next week. Questions? Discussion? One question Kent did ask was if we eliminate the website, will we have to send all our newsletters in hard copy. The answer is no, but we could no longer use links in the newsletter; we would need to include all the verbiage. This would

either increase the size of the newsletter (cost would increase if we go over 8 pages – 4 pieces of paper) or we would need to reduce content.

Kathy

Email #2 From Maggie

Wow. What a conundrum. So I have a thought/ question. Do we need liability insurance? It costs about the same as the web fix proposals. We might consider dropping the insurance to pay for the web fix.

It is my understanding the insurance came into play when we started the PPPR. I suspect this will be the last year for that event.

Maggie

Sent from my iPad

Email #3 from Kathy

There have been several questions regarding bare bones budget needs for the association so I put some numbers together. We could make the following changes:

- drop the liability insurance. I believe we purchased this for the PPPR; if we are no longer going to host the event, should we drop insurance. Saves \$438.
- no longer subsidize the Riparian. If folks want it, they pay the full cost which is now \$14/yr. Note, there are several current members who have prepaid their Riparian for the next 2 years but they have donated at least \$6/yr. Saves \$312 for 26 subscriptions.
- No longer send the winter postcard, use email instead. Saves \$68 in postage but we also need to order new postcards and I don't have an estimate for that.
- Winter newsletter remains as email only, not even sent to members requesting hard copies. Saves \$90.
- No longer send spring postcards (we didn't do it this year). Summer newsletter is sufficient. Saves \$50.

So our costs would be:

- MLS&A membership fee
- CLMP fee only; no travel costs
- State filing fees & PO box
- PayPal fees (assume no donation cover them)
- Summer newsletter mailed to all owners w/out email address
- But we have started sending out letters late summer asking for renewals. Costs about \$40.
- Annual meeting but no LA homecoming booth
- We have committed to PLM costs of \$625.
- Web costs of \$122 (web hosting) plus firewall and virus protection of \$450.

If you add up these costs it is \$2842. I believe that we have just gotten our 83rd member (last year we ended at 88). That would be 95 members at existing \$30/yr. 82 members if we increased to \$35/yr. \$71 if we went to \$40. Remember, I haven't included donations and this year we have gotten just under \$1100 split between the Lake Management Fund and general.

Just some food

Email #4 from Sue

Kathy, Arnie, and Scott,

First of all, thank you for the tremendous effort, time, and work that the group puts into the website. The website is an important piece of the ALPOA current framework. You also have researched and reported important information to frame our discussion for the future if the website. A few additional questions:

1. What is the data for website access?
2. What are the main goals/ purpose of the website itself?
3. Are there any current line items that have become irrelevant or are not directly supporting the mission of ALPOA itself ? I am new so I may have overlooked an " ALPOA mission statement" along the way. What exactly and succinctly is the purpose of the organization. ?

Perhaps by retracing our purpose and goals we can reset a framework for the organization to determine the mechanics/usefulness/ need of a website in our outreach, communication, organizational goals, and fulfillment of the purpose/ goals of ALPOA. This should also clarify budget line items that may need to be added, deleted, or readjusted.

I look forward to moving forward and helping to continue the important work of ALPOA.

Thank you,
Susan

Email #5 From Kent Taylor responding to above July 2019

Board members:

Since Kathy and I are going overseas next week as the board ponders this latest hacking attack, I thought to document my thinking in writing to share. Here's my two cents on the website hack and our response to it:

It appears that someone is targeting our URL (annlake.org). Maybe they wish us to drop it so they can use it; maybe they have far more nefarious purposes or maybe they are just jerks. We don't know but it is our obligation to protect our board, membership and other users from any malware attacks. How do we do this? By throwing in the towel and abandoning our website when it is now and will prove to be the future's best communication platform? Besides, it's hard to accept the waste of hours and hours of volunteer work that went into the development and maintenance of that site which is now, a very impressive site. I can't support that.

As a board, we promise to be transparent in our actions and decisions; the website facilitates that in a way that we've never had before. Going to Facebook requires people to be members and I for one don't trust it and Zuckerberg with our or anyone else's data. We hardly use FB anymore like many others we know, though none would offer objection to going to a website. I feel we need to fix not run away from the problem. We may have been lax in not setting up firewall protections in the past; we are now going to have to pay for that.

Let's look at those costs: Some might say change our URL and wipe the slate clean. That is cheap but only because we'd lean on the all the volunteer hours that would be required to re-address all our reports and documents to function on the new website. We can't ask such talented and, in the real world, very pricey professionals to put in even more free hours than they are already. So to me that's being selfish and a non-starter. Cheapest yet, merely change the URL, delete all archived content and start anew. However to eliminate confusion, we would need a "re-direct" of our preferred traffic to our new site; the hackers can easily follow. We can't hide from them anymore.

If they do go after us again, it will make all subsequent efforts to rebuild the site a colossal waste of time.

So in my mind we must proceed to a much more secure and unfortunately costly web hosting arrangement as has been outlined by Kathy in her recent memo. It will be more expensive but we have the funds both in operational reserves and potentially in a tighter budget. One way to stay out of reserves and include it in our existing budget would be to cancel our liability insurance. I believe persons on our board are already indemnified from personal liabilities by our corporate status now recognized both at State and Federal levels, something that may not have been the case when we first got this insurance. I am the very person who originally suggested obtaining such insurance coverage once we approved the PPPR function. As a sponsored activity involving boats and water I felt the association, not us individuals, needed some additional legal protection. Without such sponsored activities going forward, I no longer feel such insurance is needed. That change alone can pay for the extra security with funds left over.

Let's look at it this way. As sponsors of this site, aren't we also obliged to protecting both ourselves and the Association from malicious acts that could prove every bit as harmful as most any accident which might befall a sponsored event? Consider this move as merely redirecting our 'risk management' strategy from one focused on sponsored physical activities to sponsored on-line activities. I believe this is simplest avenue forward and one that doesn't take advantage of the skilled IT people we have in our committee. This is also the path of minimal online and financial disruption. Those are my thoughts and mine alone. We can discuss this for one week while in Chicago, and then we are overseas for two weeks. Let's make a decision promptly and get our site up again as quickly as possible.

Kent