



Forest Lake

Forest Lake Property Owners' Association
6180 Bobcat Tr., Alger, MI 48610 989-836-2155

SPECIAL ASSESSMENT PROCEDURES CLARIFICATION MEMORANDUM

SEPTEMBER 2021

Introduction

During public comment at the August 28, 2021 Board of Directors meeting the Board's procedures for issuing the July 2021 Special Assessment were questioned by Mr. Curtis Brown. This memorandum is issued to clarify the process used by the Board with respect to the applicable Bylaws.

Background Information

The following sequence of events is presented for reference:

- A Special Assessment package with detailed cost information and a voting ballot was mailed to property owners in April. Approximately 50% of the ballots were returned and approximately 85% of the ballots were in favor of the assessment.
- A Notice of the July 2021 Annual Meeting was mailed to property owners in early June along with a list of candidates for the election.
- A Special Meeting Notice was posted during the first week of June for a June 12th meeting to present updated Spillway Repair and Special Assessment Information.
- The special meeting was held on June 12th at the Pavilion.
- Several Board members attended the June 21st Moffatt Township Board Meeting to request that the Township create a Special Assessment District for collection of an assessment for dredging the lake. The Township was willing to participate and provided information on the required process.
- After reviewing the timeframe required for a Township Special Assessment District the Board reviewed other options and agreed to pursue issuance of the assessment directly. A revised Special Assessment package was prepared and distributed to Board members for consideration. The Board unanimously agreed to issue the assessment.
- The revised Special Assessment was presented in detail at the July Annual Meeting and property owners in attendance provided comments and questions.
- The Special Assessment was mailed to property owners approximately one week after the July meeting. Answers to property owner questions were subsequently posted on the FLPOA website.

Applicable Bylaws

Thirty days notice of the Annual meeting was provided per the Bylaws, Article VI, Section 2. The Annual Meeting Notice did not include information regarding the Special Assessment since the assessment was still being developed at that time. The proposed Special Assessment was presented to the membership at the July Annual Meeting but the Board did not vote to approve the assessment at the meeting as required by the Bylaws, Article VI, Section 14. However, the Board did explain the reason for the revised assessment and indicated that the Board had previously approved the revised assessment.

Conclusion

After further review of Article VI of the Bylaws, and additional discussion with Mr. Curtis Brown, the Board agrees that a vote on the proposed Special Assessment should have taken place at the July Annual Meeting and a revised meeting notice that included the Special Assessment should have been issued.

The Board takes full responsibility for the controversy and the resulting confusion.

Forest Lake Property Owners Board of Directors