

**FOREST LAKE PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
ANNUAL MEETING MINUTES
July 13, 2024**

I. CALL TO ORDER - Daniel LeFevre/President called the annual meeting of the Forest Lake Property Owners Association (“FLPOA”) Directors to order at 9:03 a.m.

II. PLEDGE OF ALLEGIANCE – Alyce Ortel

III. INVOCATION -Alyce Ortel

IV. INTRODUCTION OF THE SERGEANT OF ARMS – Thomas Hughes

V. ROLL CALL OF DIRECTORS – Board Members Present: Daniel LeFevre (“LeFevre”), Ron Swagman (“Swagman”), Tracy Reitzloff (“Reitzloff”), Gene Ross (“Ross”), Vito Manzella (“Manzella”), Debra Wojie (“Wojie”), Pat Gordon (“Gordon”), Matthew Winberg (“Winberg”)
Board Members Absent: None

VI. BOARD MEMBER RESIGNATION – James Kelly resigned from the Board on July 8, 2024, citing personal reasons and we thank Jim for his service. The Board of Directors will consider a possible motion to appoint a replacement after Public Comment during New Business.

VII. OWNERS QUORUM – Article VI, Section 4 of the By-Laws states: “The presence of fifty (50) members, either in person or by proxy, shall constitute a quorum for the transaction of business at the Annual Meeting”. Sixty-Two (62) members present.

VIII. PARLIMENTARY PROCEDURE – The President did not receive any correspondence ninety (90) days prior to the meeting date, therefore, according to Article VI, Section 5 of the By-Laws, the Agenda will be as set forth, unless motioned otherwise by a Board Member.

IX. APPROVAL OF THE MINUTES FROM THE BOARD OF DIRECTORS JUNE 8, 2024 MEETING

Moved by Ross, second by Swagman, motion carried to approve the June 8, 2024, as presented.

Voting Yes: LeFevre, Swagman, Manzella, Ross, Gordon, Winberg, Reitzloff, Winberg

Voting No: None

X. ANNUAL DUES BALLOT – On June 8, 2024, the Board of Directors approved a ballot for members to consider an annual dues increase from \$170.00 to \$250.00, with four (4) subsequent \$10.00 annual increases. The Annual Dues Vote will begin July 13, 2024, and continue through September 13, 2024. Each member may only vote once. You are encouraged to carefully read the letter accompanying the ballot. We will also be mailing a ballot to every property owner. We have amended the dues initiative to better align with property owner feedback, most prominent being too much too soon, hence lower the increase.

XII. PURPOSE OF THE ANNUAL MEETING – To elect candidates to serve on the Board of Directors.

XII. INTRODUCTION OF CANDIDATES – Pat Gordon, Matt Winberg, Don Whitmire, Mike Woloson, Phil Cole and Ilene Smith

XIII. DIRECTOR REPORTS

A. President/Spillway (LeFevre) - See report attached hereto. LeFevre is proud of the current Board's efforts since 2023. We have applied for and received almost \$11.5 million in grant funding. The lessons I have learned have been numerous. Attempted to change Restrictive Covenants, many property owners were against this act, great feedback as to how better collect delinquent dues. The logging project could have been handled better in hindsight, looking at state agencies for input. This Presidency is a full-time job and was extremely difficult, many hours spent.

References spillway report. The baseball field will be used as a staging/storage area for steel walls. The ball field will be returned to its original and/or better condition. 20,000 cubic yards of soil will be removed and if it does not have to be trucked out, Fisher states approximately \$100,000.00 could be saved if we created some type of berm from the dirt (see berm locations diagram). Target date for boating is May 1, 2025. See Construction Schedule (Fisher).

B. Vice President, Legal, Lake Ecology, Fish Stocking, Insurance (Swagman) – When the spillway is repaired and water returns to normal levels, it will be crucial to perform frequent vegetation surveys to observe the growth of Eurasian Watermilfoil and Curly Leaf Pondweed. As these species can outcompete native vegetation the reintroduction of lake water to previous exposed lake bottom may promote is spread. If we accept lake management service recommendations, we must find a way to fund it or agree the problem will multiple, potentially becoming a huge problem. Swagman does not believe charging an annual maintenance item to a special assessment project is appropriate. Ecology Expenses, we have \$10,000 for 2024/25, this needs to be increased to \$32,000.00 or more as stated in the 2023 Lake Management Report from Savin Lake Services. Eurasian Watermilfoil is prevalent on the north side of the lake and must be chemically treated this year. The 2024 Lake Management Proposal is as follows; it is recommended that systemic treatment of Eurasian Watermilfoil occur in 2024. We were advised that Eurasian Watermilfoil should be treated in 2024 with a systemic herbicide and it is important to do this when water levels are low. If treatment does not occur, we would expect the Eurasian Watermilfoil growth to increase tremendously when lake levels return to normal. The dredging project timing is of ultimate concern as the permit written 5 years ago expires in 2025 and the permit for hydraulic dredging versus mechanical expires in 2027. If a reapplication of an expired permit is required, it may delay us 1-2 years. The estimated cost of dredging and 3-year-old quote from Savin will have to be re-quoted and costs have gone up

C. Secretary, Parks and Recreation, Docks (Reitzloff) – See Report attached hereto. The Parks Committee held a very successful Parks Volunteer/Clean-Up Day on June 11, 2024. Thank you Shelly Cole, Jeri O'Leary, Manzella, Ross, Phil Rodney Garden Club and HammerTyme Construction and to all those I am missing, thank you. The Parks Survey results were both interesting and helpful. The top requests were Pickleball Courts, kayak launch, dog access to the lake, Bryan's Trail loops and other trailways, shuffleboard court repair, volleyball net, permanent corn hole board platforms, sand on the beach. I would like to focus on pickleball courts and dog access. Volunteer initiatives make all the difference. Editing the dock rental agreement/increase and renumbering docks, as we added docks. If a member paid previously, not asking for reimbursement, it will apply to their 2025 rental fee.

D. Treasurer, Campground, Office, Activities (Kelly) – See Report attached hereto. Treasurers Report statement of cash completed July 9, 2024. Special Assessment had a balance of \$287,142.76 as of March 31, 2024. \$534,171.78 cash in the bank. Prior to May 2020 storm FLPOA typically held approximately \$750,000.00 in cash reserves/operating account. 2022 logging project generated approximately \$134,000.00 in cash. See report for complete summary of the FLPOA Special Assessment account activity. Will be requesting the return of the \$654,946.00 (FLPOA SA funds) back from Arenac County soon, to apply to any dredging project.

E. Maintenance (Ross) – Been working on clean up from last 2 storms. Hammertyme has helped with this. We must get the dues increase passed, or the way we function currently will cease to exist. Eurasian Milfoil must be addressed as it can take control of lakes making boating near impossible. The burn pile is at its largest capacity in decades. Trying to keep it open but filling up extremely fast. DNR came by and suggested the pile was getting too large, therefore, we shut it down again to burn and open again maybe next week. Trying to be considerate to surrounding homes/campground residents. Ross compliments LeFevre/President, as he came in and has done a great job under difficult circumstances. Thank you for your service Dan.

F. Security, Communications (Manzella) - ATV's, it is state law to wear a helmet if there is no roll bar (such as there are in side by sides). Also must be mindful of age restrictions. The 25 mph Speed limit issues are completed and updated on Google. Regarding Facebook pages, there is a lot of conflicting/confusing/erroneous information circulating at times. There are 5 Forest Lake Facebook pages, please use the Forest Lake BOD for up to date factual information. There is another unofficial page, where you can also get good information. The Moffat Township Facebook page can also a good source of reliable information. Please reach out to a Board member for the exact pages. Hope everyone enjoys the Ox Roast and its new menu.

G. Refuse, Merchandise (Wojie) – See Report attached hereto. Wojie states it has been her pleasure serving on the Board, thanks Security and Tom/Sue Hughes for their help in the trash area. Thank you to everyone who helped sell merchandise at the craft show/Ox Roast over the years. Thanks the community for supporting her. Manzella thanks Wojie for her service on the Board, kept us focused many times.

H. Clubhouse, Storage Area (Gordon) – The Clubhouse has been a huge asset serving as a warming/cooling center for property owners during storms/power outages. The Clubhouse flooring is desperately in need of replacement.

I. Liens and Foreclosure (Winberg) – Have sent 79 property owners to collection agency, will get update soon. We have received a property forfeiture and will place a lot for sale.

XIV. ELECTION RESULTS – Based on recent precedent, the 3 candidates receiving the greatest number of votes will serve the three-year terms ending July of 2027, the next largest vote recipient will serve a two-year terms ending July of 2026 and the remaining elected director will serve a one-year term to expire July of 2025.

Three Year Term Ending July 2027 (3): Matt Winberg 411 votes, Pat Gordon 404 votes, and Don Whitmire 399 votes.

Two Year Term Ending July 2026 (1): Mike Woloson 351 votes

One Year Term Ending July 2025 (1): Phil Cole 314 votes.

Ilene Smith 208 Votes (appointment)

XV. PUBLIC COMMENT – To insure all in attendance may participate, the President will call on members in the order seated with one question or comment limited to three minutes per member. Additional questions and/or comments will be allotted after all members have had the opportunity to speak. In the event the Board members are unable to answer a question without further research, we will publish our response both on the FLPOA website as well as make printed responses available in the office.

Property Owner states LeFevre, Swagman and Wojie's terms are up, and thanks them for their years of service. LeFevre states he was also appointed to the FLLAB, which appointment is up soon, he is happy to remain on at the pleasure of the FLPOA Board of Directors.

Property Owner asks what lakefront homeowners can do ahead of the lake level being raised. Swagman responds systemic weed killer can be used through a contractor, then harvested, working on this solution. Stay tuned for more information. HammerTyme has a mini brush hog.

Property Owner proposes that the Board reconsider lowering the dues increase, it needs to be higher to function appropriately. Please try not to lower.

Property Owner asks where dredging occurred per financial statement entries. Response dredging preparation work has been performed (i.e., staging, roads, retention area/ponds). Weed control/ecology line item, has work been performed or is this a holding line item. Asks why there is an interest line item in the amount of \$2,000.00? Response, SBA Loan had interest.

Property Owner asks if burn pile was shut down because of the campground. Response, no, it was shut down due to its size and construction/staging area. If DNR receives complaints, they can shut it down permanently.

Property Owner, who enforces speed limits, atv safety. Response we are an HOA, have no authority to patrol and/or enforce speed limits/laws. County roads.

Property Owners states we are a poor county with minimal manpower, no money, resources spread thin.

Property Owner asks for introduction to new Board members.

Property Owner, Ray Daniels states the Township has collected approximately \$880,0000 from early special assessment payments, a loan will cover the rest. If the police come into Forest Lake and write 1 or 2 tickets, word will spread and the problem will lessen. Thanks everyone for their support as Township Supervisor.

Property Owner thanks all those who help manage the Association and its processes. Asks everyone to step up and assist the Board in maintaining and managing the lake and dredging.

Property Owner states Eurasian Milfoil is a huge problem but asks as to vegetation on the beaches, what happens if we do not clean up the beaches. Response anything when water at high level exposed, not part of the ecology, we are dealing with what will be covered by water. This makes a difference with treating native v. non-native.

Property Owner asks if lake front owners do nothing to their beach fronts and water level covers growth, what will happen. Response there are 2 types of growth, woody growth (trees) which will not be affected by water levels rising, need to remove to the root if possible. The other growth is native, noninvasive, difficult, if you do nothing will be dealing with it year after year.

Property Owner asks if Jim Kelly resigned from elected position, can we nominate someone. Response it is a Board responsibility to appoint successors, will take suggestion. Property Owner suggests Kathy Brown.

Property Owner mentions police patrols for speed limit violators. Security cannot approach kids violating the law on atvs, golf carts, etc., no authority. People need to call police or mention to their neighbors.

Property Owner (Ray Daniels) states there is a construction meeting every Thursday, please call with comments/suggestions.

Property Owner why do we use a cash basis of accounting. Response looking at updated/new software.

XVI. NEW BUSINESS

Moved by Manzella, second by Reitzloff, motion carried to appoint Ilene Smith to fill the Director seat of Jim Kelly

Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None

Moved by Ross second by Swagman, motion carried to increase budgeted lake ecology expense from \$10,000.00 to \$32,000.00 to address the 50 acres of Eurasian Water milfoil prevalent on the north side of the lake from Ringneck going west in very shallow waters.

Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None

Moved by LeFevre, second by Manzella, motion carried to authorize a settlement payment of \$7,192.53 to Lapham Associates as satisfaction in full payment of invoice numbers: 21931, 22025, 22026, 22027, and 22038, with funding from existing grant sources, if available, from the FLPOA Dam Maintenance Fund.

Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None

Moved by LeFevre, second by Ross, motion carried to authorize payment of FLLAB funding of the following invoices: Fahey Schultz Invoice no. 20635 dated June 3, 2024, in the amount of \$3,411.98; Fahey Schultz invoice no. 21362 dated June 28, 2024 in the amount of \$1,974.00; YEO & YEO invoice no. 596812 dated May 31, 2024 in the amount of \$3,892.00; and YEO & YEO invoice no. 597950 in the amount of \$1,755.00.

Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None

Moved by LeFevre, second by Manzella, motion carried to allow LeFevre and Daniels to approve change orders without prior approval up to 50,000.00 with a max of \$200,000.00 in aggregate for dam restoration and construction, continuing to bring to the FLPOA Board.

**Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None**

Moved by LeFevre, second by Reitzloff, motion carried to approve permanent berm location for displaced spillway dirt (approximately 20,000 cubic yards) to the ball field area as indicated with ball field being returned to original condition if not better.

**Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None**

Moved by LeFevre, second by Manzella, motion carried to approve two (2) change orders approved by FLLAB, 1. Fisher Contracting approve \$19,000.00 for one month gap of siphon system operations.

**Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None**

Moved by LeFevre, second by Manzella, motion carried to approve Katterman Construction new channel, credits/changes of \$27,133.07 increasing contract to \$40,868.57, FLLAB approved unanimously.

**Voting Yes: LeFevre, Swagman, Reitzloff, Ross, Manzella, Wojie, Gordon, Winberg
Voting No: None**

Manzella states trees located at top and along the dam were discussed. GEI informed us that these trees along the dam, should not have been planted as it can weaken the structure and goes against industry standards/recommendations. It is recommended that these trees be removed and the soil/earth be repaired so no voids occur. FLLAB and FLPOA will approve at a later date.

XVII. ADJOURNMENT

The meeting was adjourned by unanimous vote at 10:32 a.m.

**FOREST LAKE PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS
ANNUAL MEETING MINUTES
July 13, 2024**

Call to Order/New Board Meeting at 10:37 a.m.

Purpose of this Meeting: To elect officers and assign responsibilities to the New Board of Directors.

NEW BUSINESS:

Moved by Ross, second by Gordon, motion carried to nominate Vito Manzella to serve as President.

Voting Yes: Manzella, Ross, Gordon, Winberg, Reitzloff, Woloson, Cole, Smith, Whitmire

Voting No: None

Moved by Reitzloff, second by Whitmire, motion carried to nominate Gene Ross to serve as Vice-President.

Voting Yes: Manzella, Ross, Gordon, Winberg, Reitzloff, Woloson, Cole, Smith, Whitmire

Voting No: None

Moved by Ross, second by Gordon, motion carried to nominate Tracy Reitzloff to serve as Secretary.

Voting Yes: Manzella, Ross, Gordon, Winberg, Reitzloff, Woloson, Cole, Smith, Whitmire

Voting No: None

Moved by Reitzloff, second by Whitmire, motion carried to nominate Ilene Smith to serve as Treasurer.

Voting Yes: Manzella, Ross, Gordon, Winberg, Reitzloff, Woloson, Cole, Smith, Whitmire

Voting No: None

RESPONSIBILITY	DIRECTOR	RESPONSIBILITY	DIRECTOR
Activities	Ilene Smith	Lake Ecology	Mike Woloson
Boat Launch	Phil Cole	Legal	Vito Manzella (Gene Ross, Tracy Reitzloff)
Boat Safety	Vito Manzella	Liens/Foreclosure	Matthew Winberg
Campground	Matthew Winberg	Maintenance	Don Whitmire
Clubhouse/Pavilion	Pat Gordon	Merchandise	Pat Gordon
Communications	Vito Manzella (Tracy Reitzloff)	Office	Pat Gordon
Dam Safety	Vito Manzella	Parks/Recreation	Don Whitmire (Tracy Reitzloff, Ilene Smith)
Docks	Tracy Reitzloff	Refuse	Vito Manzella
Fish Stocking	Mike Woloson (Gene Ross, Matthew Winberg)	Security	Phil Cole
Forestry	Don Whitmire (Mike Woloson)	Storage Area	Pat Gordon
Housekeeping	Pat Gordon		
Insurance	Gene Ross		

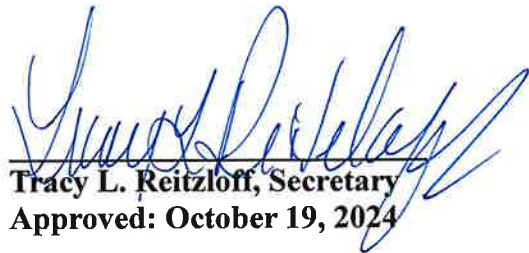
Moved by Ross, second by Cole, motion carried to ratify the above responsibilities as discussed, assigned and agreed to.

Voting Yes: Manzella, Ross, Gordon, Winberg, Reitzloff, Woloson, Cole, Smith, Whitmire

Voting No: None

VII. ADJOURNMENT

The meeting was adjourned 10:52 a.m.



Tracy L. Reitzloff, Secretary
Approved: October 19, 2024

Presidents Report, Dan LeFevre
July 13, 2024

I am proud of the work of our current BOD that took office following the July 2023 Annual Meeting. A few of our accomplishments included:

- Working closely with the county board to secure an additional \$8.5 million in spillway restoration grants (for a total of \$11.4 million), limiting the property owner special assessment to \$2.1 million, and most of all, obtaining the long-awaited project permits from EGLE;
- Completion of staging work for our much needed dredging project, including the holding cell in the Highlands, access road improvements and more available for review on our website under News & Updates: <http://www.forestlakemi.com/dock-repair-dredging-updates>;
- We established a Parks and Recreation responsibility on the BOD and under Tracy Reitzloff's leadership we gathered feedback from our property owners, established a thoughtful plan and began clean-up work this spring;
- We worked with the county to repair extensive storm erosion damage to Turtle Park, diligently monitored the temporary syphon system to mitigate costly further erosion to the spillway construction site while continuing to regularly maintain our community property;
- We engaged Northern Legal to enhance our delinquent dues collection efforts;
- At the encouragement of many of our members, we authorized a vote to increase our annual dues from \$170 to \$320. Although 58% of our members supported the increase, we did not achieve the necessary 67%. The feedback we received was simple, the increase was too large. We listed, and we have authorized a vote to increase our annual dues from \$170 to \$250. We are optimistic we will receive the 67% support needed by September 15th.

With my three-year term completed, please indulge me with a few lessons learned.

- The November 2021 proposal to seek court approval to amend our restrictive covenants was premature. The feedback of members present at our meeting was loud and clear. Being new to the community, I reached out to several members that publicly opposed the plan. I received some valuable feedback, and the plan was tabled. The plan was well-intentioned but missed the mark of what our members wanted. In the end the process worked, we listened.
- Our aging trees continue to fall leading to frequent property damage and power losses. Fortunately, I am unaware of any serious injuries thus far. While our 2022 logging project was necessary, in hindsight we should consider utilizing State of Michigan resources or engaging a 3rd party professional forestry service to manage our interests.
- The biggest lesson I learned while serving as the President of FLPOA is that this job is a full-time volunteer commitment. I tried to do the job while working full-time job and living down state. As hard as I tried, this role is best done serving the owners in person. I look forward to assisting my successor in every way I can. I love this community, and I can't wait to see you all on the lake next year!

Annual Report from Ron Swagman, Ecology Director – July 2024

When the spillway on Forest Lake is repaired and the water raises to 'normal' levels, it will be crucial to perform frequent vegetation surveys to observe the growth of Eurasian watermilfoil and curly leaf pondweed. As these species can outcompete native vegetation, the reintroduction of lake water to previously exposed bottomlands may promote its spread. There is no guarantee that the vegetation distribution in the lake will be the same as it was in 2019 prior to the 2020 disaster.

If we agree to accept the recommendation of our professional lake management service, we need to find a way to fund it or agree that the problem will multiply significantly next year and no guarantee that funding will be available next year either. Even if the borrowed \$650k is returned to the Dredging Project, charging an annual maintenance item to a special assessment project is not appropriate and I would object to it.

On the budget line item for Ecology Expense we have \$10k listed for the 24-25 budget but we need to bump that up to \$32k or more as stated in the 2023 Lake Management Report from Savin Lake Services. The report identifies 30-50 acres of Eurasian WaterMilfoil that is prevalent on the north side of the lake from Ringneck going west in very shallow waters. We need to approve \$32k for chemical treatment of this problem this year.

The 2024 Lake Management Proposal from Savin Lake Management Services recommendation is as follows:

It is recommended that a systemic treatment for Eurasian watermilfoil occur in 2024. Eurasian watermilfoil appears to have spread through the shallow northwestern portion of the lake and the immediate shoreline areas of the rest of the lake. Due to the shallowness and poor visibility in the water, we were not able to navigate the entirety of the northwest portion of the lake. Therefore a Spring survey will be accomplished with an airboat to accurately determine the actual acreage of Watermilfoil.

Matt Novotny, Operations Manager, Savin Lake Services sent me an email regarding our conversation - the following is a copy of the email:

Hello Ron,

Following up on our phone conversation, in our 2023 report we recommended that the Eurasian Watermilfoil be treated in 2024 with the systemic herbicide ProcellaCOR. It is very important to do so while the water levels are down in Forest Lake.

If the treatment does not occur, we would expect the Eurasian watermilfoil growth to increase tremendously when the lake level returns to normal. The current biomass will reproduce and spread much more easily when the water level returns, compared to if we treat now reducing the amount of watermilfoil in the lake. The reduced vegetation would limit the potential spread when water levels returns.

I hope this clarifies the importance of treatment before the water levels returns.

Matt

Update on the "comatose" Dredging Project:

Timing is of ultimate concern as the Dredging project permit as written five years ago will expire next year 2025 and the permit to use hydraulic dredging over mechanical will expire in 2027. If a re-application to an expired permit is required, experience tells us that another 1-2 years delay is at stake.

The estimated cost of dredging and the three year old quote from Savin will have to be requoted and as everything else, the cost will be going up and the \$650k fantasy will not complete the original intent without additional special project funding. This effort will require an intense dedicated leadership from the new Board of Directors.

End of report.

Treasurer's Report

July 13, 2024

- Our statement of cash receipts and disbursements for the year ended March 31, 2024 was completed on July 8th and 100 copies have been printed for today's meeting;
- If you did not receive a copy, please stop in the office and we would be happy to provide one;
- The FLPOA Special Assessment (SA) account had a balance of \$287,142.76 as of March 31st, and \$219,617.60 as of May 31st;
- Outside the SA account we had \$534,171.78 of cash in the bank, which included \$95,793.84 in dam maintenance restricted accounts and \$438,377.94 in other cash balances;
- Prior to the May 2020 storm event, FLPOA typically held about \$750,000 in cash reserves and operating account;
- The 2022 logging project generated about \$134,000 in cash;
- A decision on possibly reallocating the dam maintenance fund has not been made, but some options could include a capital improvement reserve, emergency reserve or other restricted use;
- A complete summary of the FLPOA SA account activity is as follows:

Homeowner Deposits	\$1,265,241.94
SBA Deposit	50,000.00
Interest/Other	826.33
Total Sources	\$1,316,068.27
Dock Repairs	(121,800.00)
Dredging Project	(251,878.02)
Office expense/other repairs	(301.49)
Transfer to Arenac County	(654,094.00)
Total Uses	(\$1,028,925.51)
SA Acct Bal @ 3/31/24	\$287,142.76
Interest/Other	83.10
Dredging invoices 4/1 /24 – 5/31/24	(63,450.00)
Dock Repair/Spillway	(4,075.00)
Office expense/other repairs	(83.26)
SA Acct. Bal @ 5/31/24	\$219,707.60

- Following 95% support from a highly participated member poll, on April 19, 2022 the BOD authorized a transfer of \$654,946.00 to Arenac County to provide 25% matching funds to meet USDA-NRCS grant requirements
- With nearly \$11.5 million in total grants and a \$2.1 million property owner special assessment through the county, once the spillway walls have been installed and earthwork is substantially complete (approximately Thanksgiving) the plan remains to request the return of the \$654,946.00 to FLPOA for use in the dredging project in 2025;

Tracy L. Reitzloff, Secretary

Parks Report/Docks Report

July 13, 2024 (Annual Meeting)

Parks:

The Parks Committee held its first Parks Clean-Up day. Thank you Shelly Cole, Jeri O'Leary, Maintenance, Vito Manzella, Gene Ross, Chris Musser, Phil Shock, Rodney Holcomb, Jeri and Dan O'Leary, Bill and Lisann Smith, Greg and Renee Theisen, Jerome and Judy Metz, Jill Snyder, Paul and Terri Burgess, and probably a few I am missing, I apologize. Also, a huge shout out and a thank you to **Hammer Tyme Construction** who donated their heavy equipment and time making the big things possible!

Park Survey Results: Top requests: Pickleball Courts, Kayak launch and tied for 3rd dog access, Brian's Trail loop and other trailways. Also, mentioned was fixing shuffleboard courts, level volleyball net/heighten, add sand to the beach(es), fitness trail, permanent platforms for cornhole boards. If you have not already done so, please fill out the Parks Survey, it is a great way to hear membership feedback.

I would like to focus on pickleball courts in the future and a dog access area. Volunteers and donors could form committees taking on things like a kayak launch, Bryan's trail loop, other walking trail systems, corn hole platforms. As we saw on June 11th, volunteers make all the difference.

It was reported that the shuffleboard courts were vandalized over Memorial weekend. We will be reviewing video footage and once repaired, will require the equipment to be checked out in the office.

Docks:

The Docks Committee will discuss a dock rental fee increase for the 2025 season. I will be editing the current dock rental agreement. In the upcoming months I will be working with maintenance to re-number the docks as we have added additional docks. If you let your dock rental roll over it will be applied to your 2025 rental fee. We will try to keep the dock assignments the same, but some adjustments will have to be made. We will be contacting those on the waiting list as soon as possible early in 2025.

Forest Lake Board Report

7/13/24

D. Wojie

Refuse:

It has been my pleasure to work with Sue Hughes for the past 4.5 years. I would also like to thank Security for all their support and assistance at the trash area. Thanks to Sandy stepping in for Sue when needed.

I will be more than happy to work with the new board member that takes on this position and provide information with regards to our account, contract, and contacts.

Merchandise:

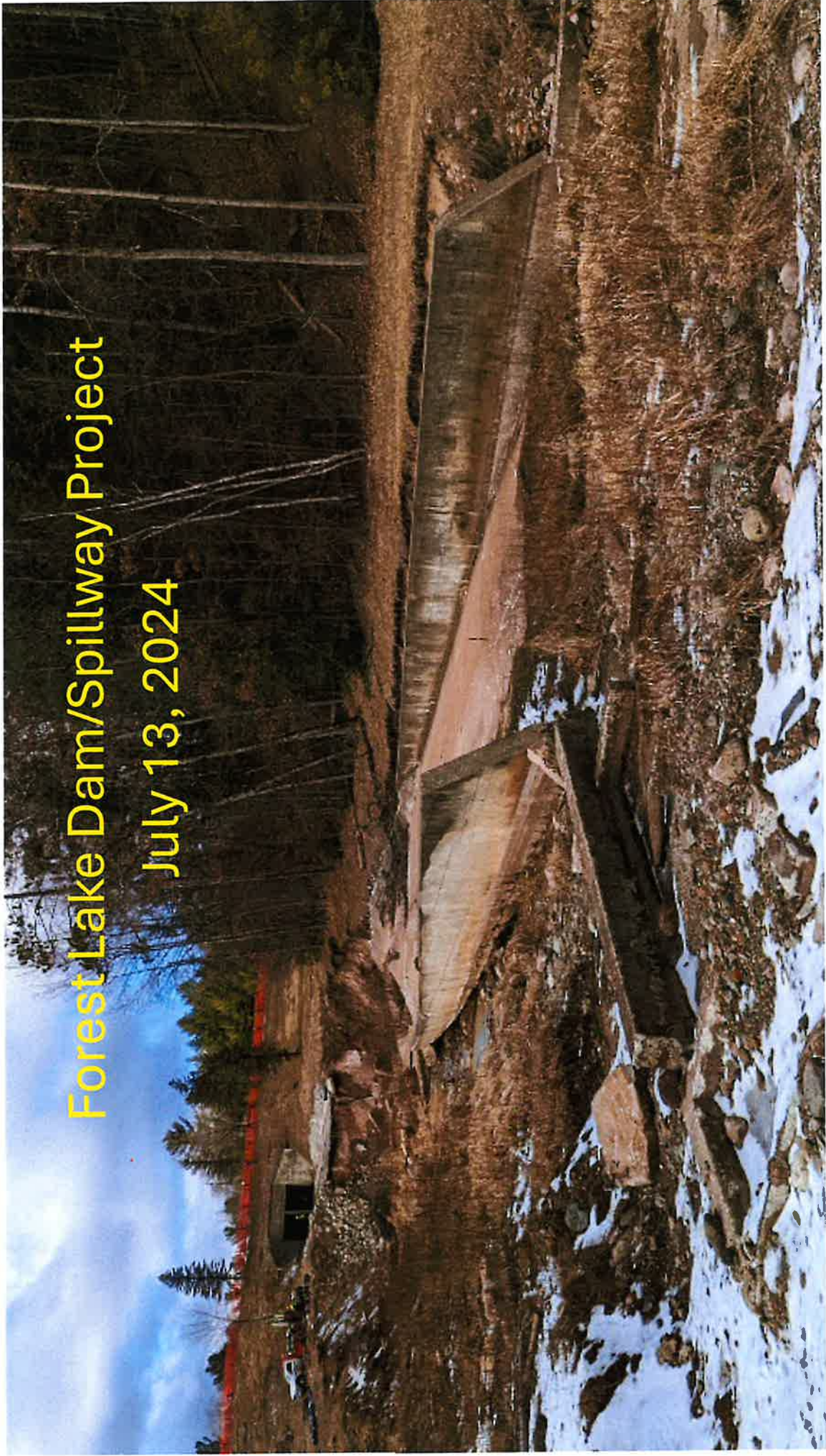
Thank you to everyone that came out to sell merchandise for me at the Craft Shows and Ox Roast over the years.

It has been fun picking out things that I felt the people of Forest Lake would enjoy using or wearing.

I have the names of businesses and the contacts I worked with to fulfill our merchandise orders and look forward to passing them on.

Additional comments:

I would like to thank everyone in the Forest Lake community that supported me over the past 6 years. Over the years I have had the opportunity to serve in the role of the director of Refuse, Merchandise, Activities, Communications, and Ast. Treasurer. The best part of the job was working with the volunteers that came out to work at the activities when I put the call out for help.



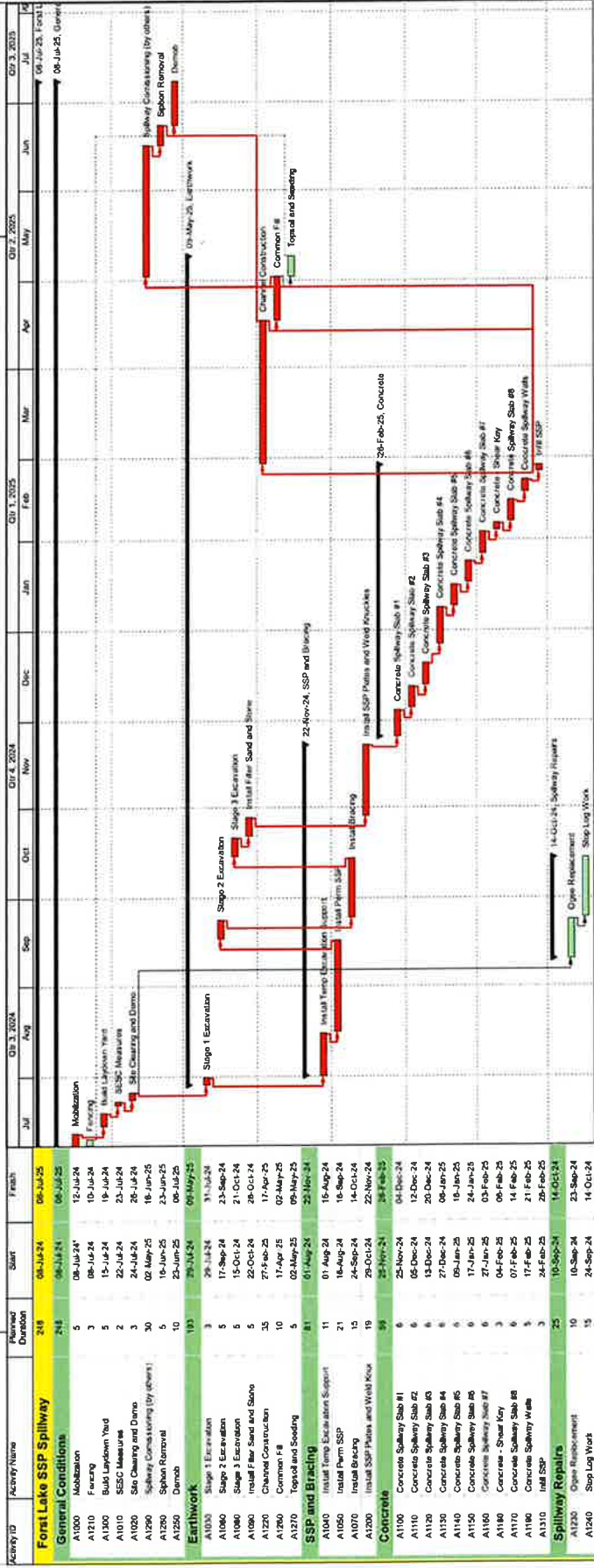
Forest Lake Dam/Spillway Project
July 13, 2024

Task	Status	Task	Status
Design	GEI submitted final plans to EGLE on 4/26/24 and supporting information on 5/31/24	Permit	EGLE issued the Phase 2 permit on 6/24/24.
Grants	Our community has raised about \$11.5 million!	Phase 2	Fisher Contracting began on 7/8/24 and substantial completion is scheduled for 5/1/25.
Property Owners	Our community has pre-funded \$870,000 in special assessments, and Arenac County has borrowed another \$1.22 million.	Total Budget	The project budget is \$13.52 million
Phase One	In May we completed the downstream restoration work necessary to begin restoration work	Target Date for Boating	May 1, 2025

JD240509

Forst Lake SSP Spillway

Data Date: 08-Jul-24



- █ Actual Work
- █ Remaining Work
- █ Critical Remaining Work
- ◆ Milestone
- ▬ Summary

SCHEDULE



Forest Lake Level Authority Board Cash Flow Forecast

WORKING DRAFT - updated 5/02/2024

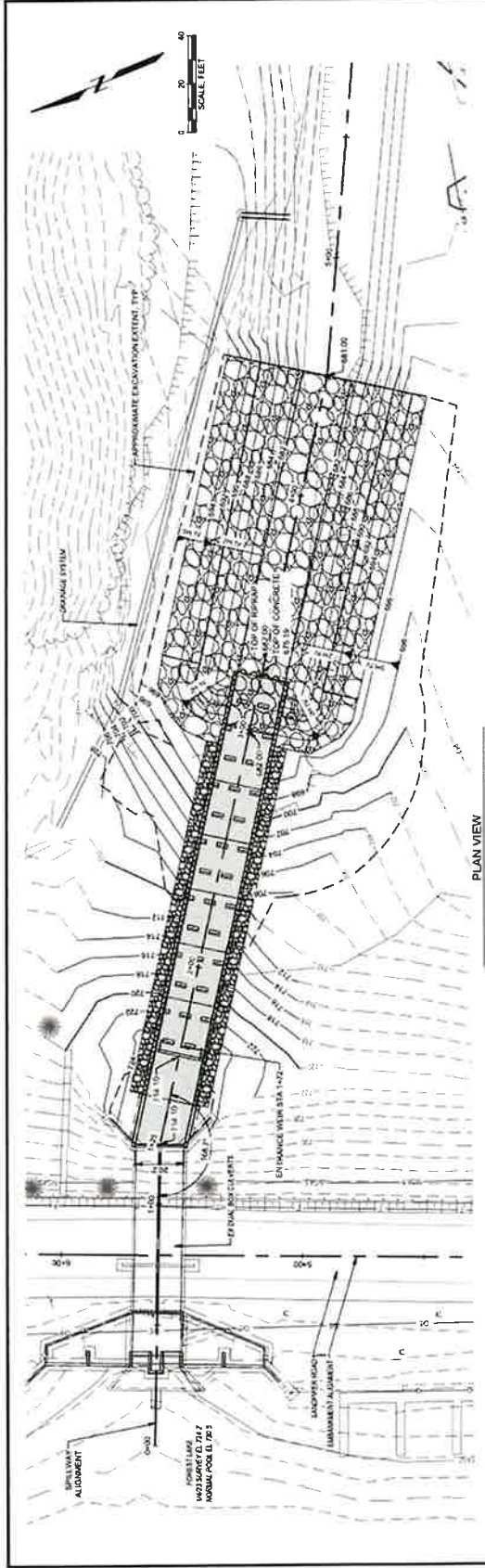
Forecast based on total bid amount from Fisher Contracting and does not account for alternative design. Upon receipt of updated proposal from Fisher Contracting, the cash flow forecast will be updated.
Actual and Forecast

Commitment/ Budget	Project-to-Date thru	Forecast												Total Project										
		2024	2025																					
	Actual	Remaining Budget	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November		
Forest Lake POA	654,846.00	400,000.00	654,846.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	
MEDC Grant - \$230,000	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	2,300,000.00	800,000.00	
GOLE Grant - \$230,000	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	600,279.49	623,074.50	
NCCSUDA - Contingency - \$1,204,044.18*	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	5,527,865.01	655,234.00	
NCCSUDA - Technical Specialties	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	50,000.00	800,255.52	
Chippewa Indian Tribe Grant - \$200,000	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	2,000,240.65	
All Disposition of Inventory PA 144	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	80,200.00	388,000.00	
Interest Income	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	11,670,683.61	14,001,042.67	
Total Deposits		2,323,259.56																						
Disbursements																								
Phase 1 - down/transform stabilization	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	207,402.50	414,805.00	
Phase 2 - NCCS Highline ***	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	7,903,961.00	
Phase 3 - NCCS Highline ***	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	248,126.00	
Stop logs	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	193,000.00	
Engineering design and permit	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	44,226.00	1,251,719.40	
Construction observation	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	125,719.40	
Construction	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	873,710.54	1,872,710.54	
Ergonomics	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	653,343.40	
Robon system - install	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	150,383.32	451,566.07	
Accounting Fees	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	40,207.50	50,575.50	
Performance Expense	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	198,250.00	200,050.00	
Estimate special assessment district	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	398,875.00	
Legal Fees	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	87,124.82	104,005.00	
Total disbursements	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	2,255,750.18	13,510,065.51	
Net cash flow surplus (deficit)	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	67,509.38	441,082.15	
Beginning cash balance																								
Net cash flow surplus (deficit)																								
Ending cash balance, including \$150,000 PA 144 advance																								

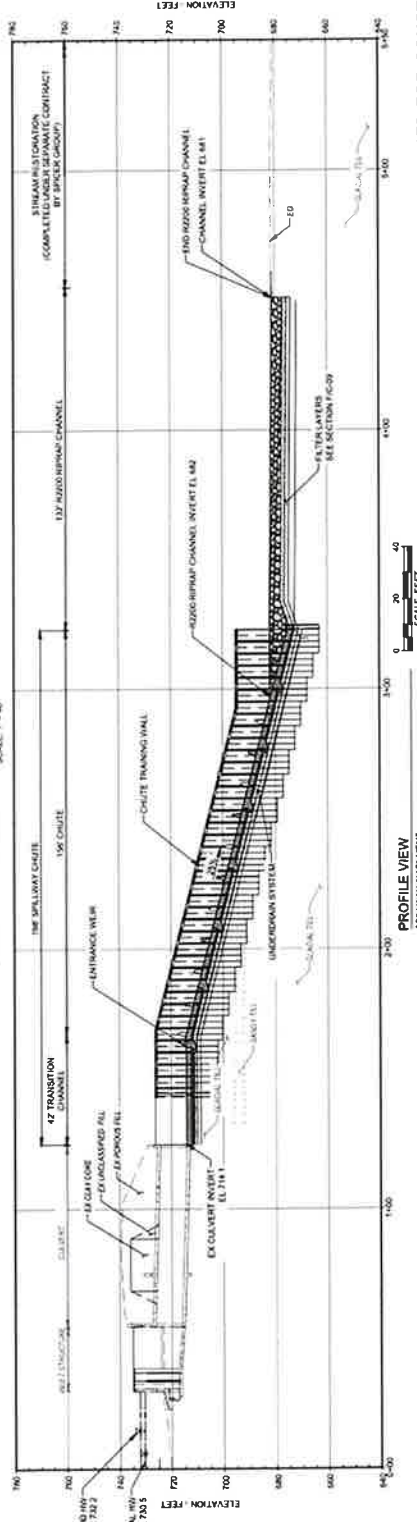
Note: NCCS has approved to \$1,204,044.18 for contingency based on 75% of contingency line item from the Calculation of Cost. NCCS reimbursement is a maximum of \$550,384. Disbursements submitted based on Calculation of Cost provided by Spear Group, updated 5/02/2024.

*** NCCS website cash. Fisher Contracting Ltd. General Contingency \$1,204,044.18. Site Preparation and Rehabilitation \$1,000,000.00. Contingency \$200,000.00. New Discharge Grate 4,614,348.00. Discharge Channel \$50,242.00. Total Phase 1 - NCCS - Highline \$2,874,594.18.

*** NCCS Highline cost. Fisher Contracting Ltd. General Contingency \$1,204,044.18. Total Phase 2 - NCCS - Highline \$2,874,594.18.



PLAN VIEW
SCALE: 1"=40'



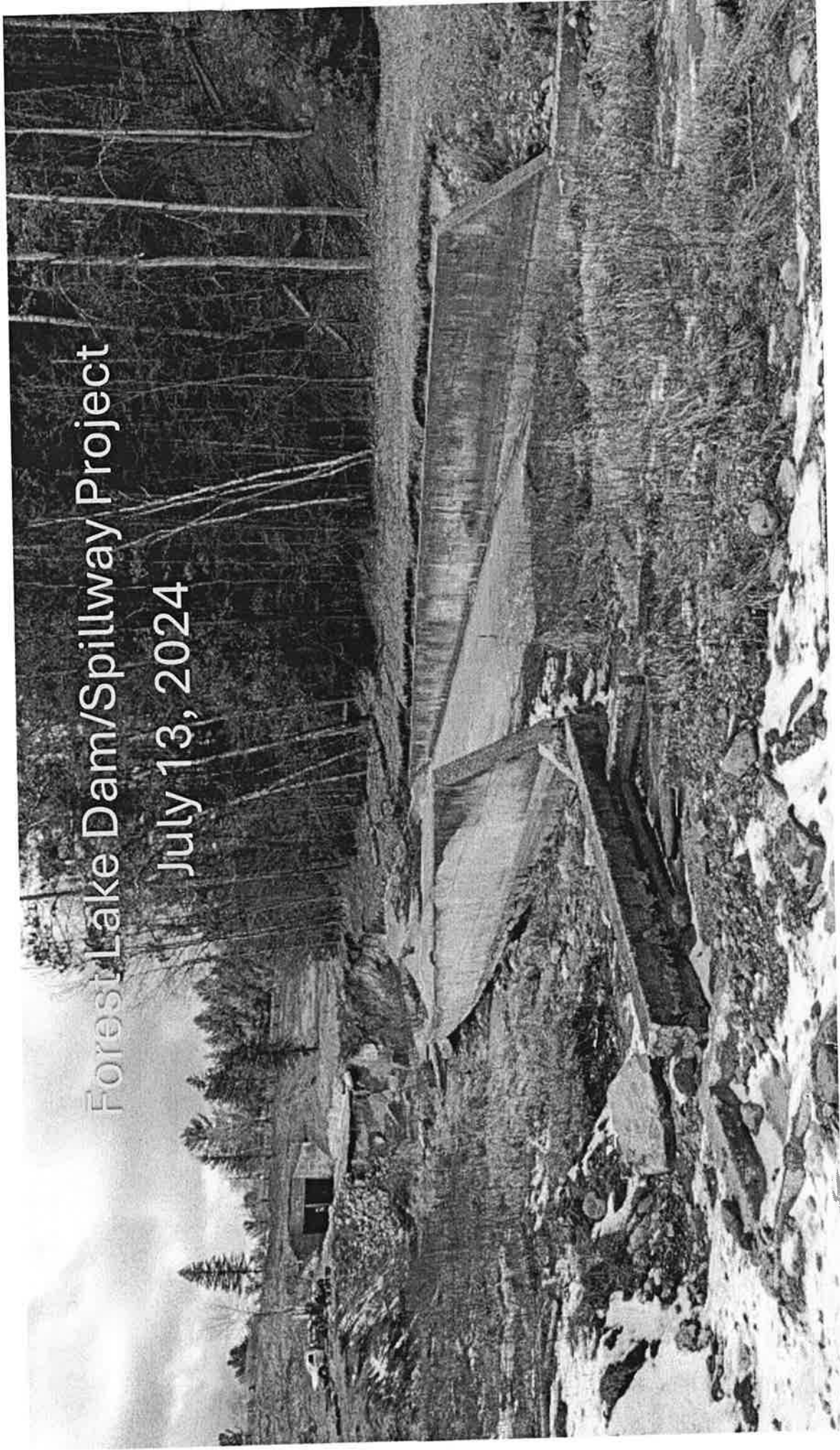
PROFILE VIEW
SPILLWAY ALIGNMENT
SCALE: 1"=40'

ISSUED FOR CONSTRUCTION

		Designed: GUX Drawn: MLF Checked: BLD Appointed: RJA P.E. No.: PE0001056458 Exp. Expires: 2022/41		FOREST LAKE PROPERTY OWNERS ASSOCIATION 6180 BOBCAT TRAIL ALGER, MI 49810	FOREST LAKE DAM SPILLWAY CHUTE AND RIPRAP CHANNEL PLAN AND PROFILE	SHEET NO. 17 OF 40
DTD PROJECT #2022/41		CLIENT REVIEW: BJC DATE: 03/05/2022	DATE: 03/05/2022	CLIENT REVIEW: BJC DATE: 03/05/2022	SHEET NAME SPILLWAY CHUTE AND RIPRAP CHANNEL PLAN AND PROFILE	DWD NO. C-04

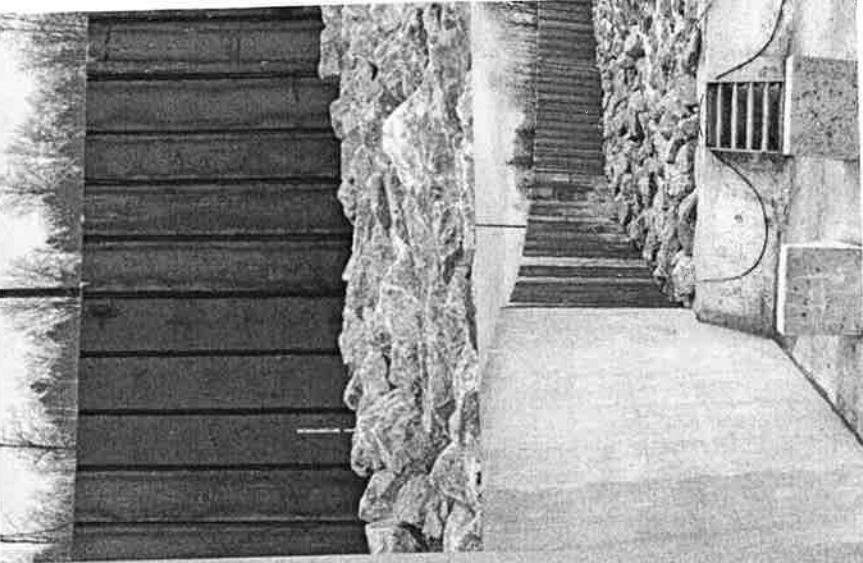
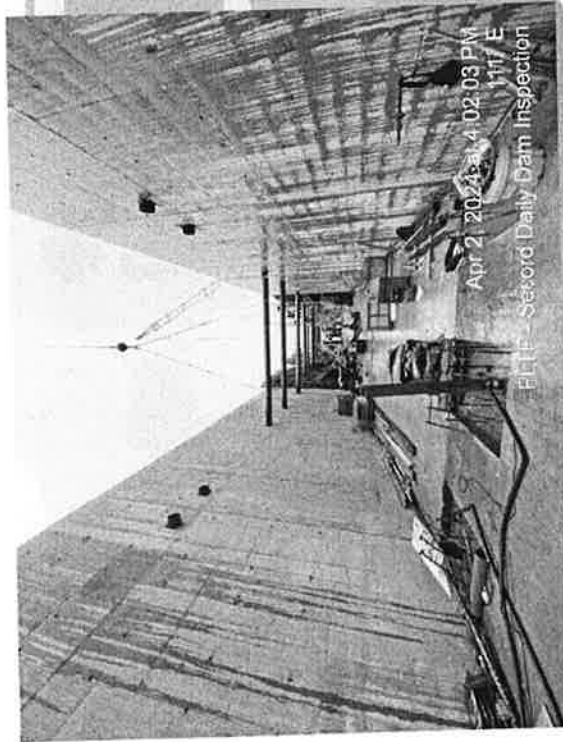
Forest Lake Dam/Spillway Project

July 13, 2024



Forest Lake Phase II – Spillway Stabilization Design Rendering

- Concrete shown in photos was substitutes with Steel other than the channel bottom



Task	Status	Task	Status
Design	GEI submitted final plans to EGLE on 4/26/24 and supporting information on 5/31/24	Permit	EGLE issued the Phase 2 permit on 6/24/24.

Grants Our community has raised about \$11.5 million!

Phase 2 Fisher Contracting began on 7/8/24 and substantial completion is scheduled for 5/1/25.

Property Owners Our community has pre-funded \$870,000 in special assessments, and Arenac County has borrowed another \$1.22 million.

Total Budget The project budget is \$13.52 million

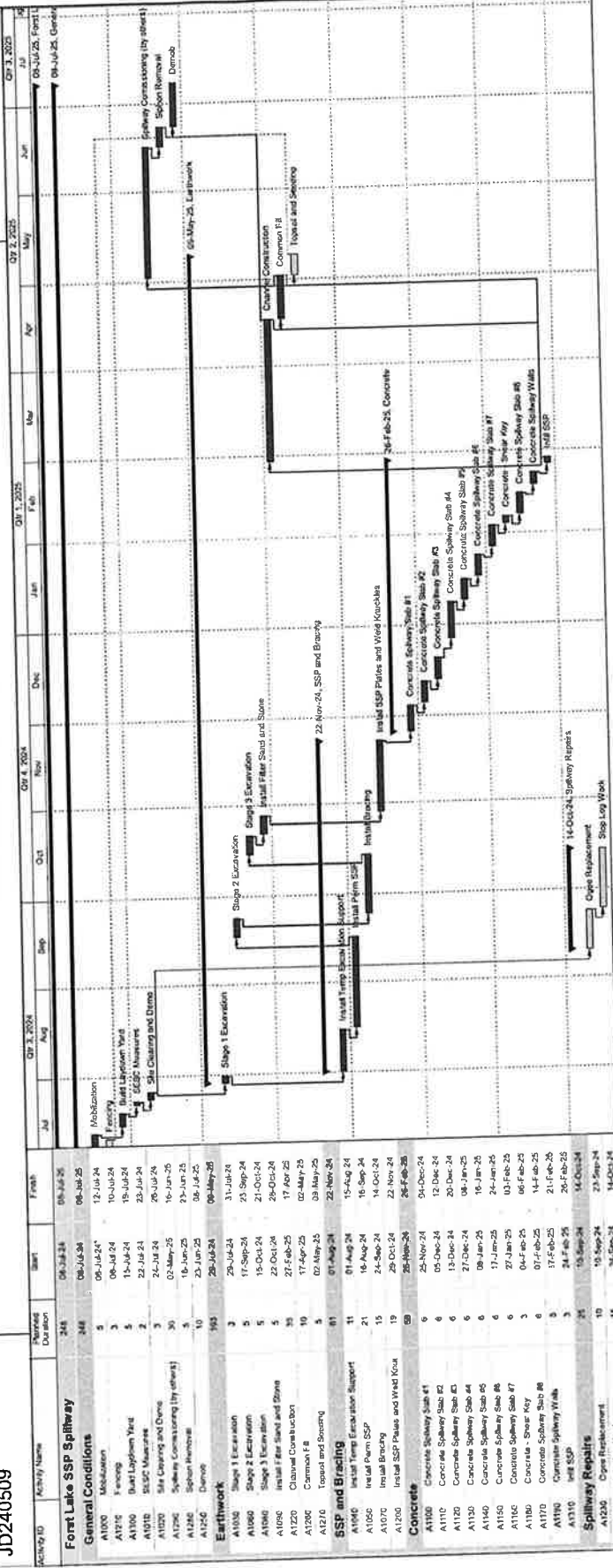
Phase One In May we completed the downstream restoration work necessary to begin restoration work

Target Date for Boating May 1, 2025

JD240509

Forst Lake SSP Spillway

Data Date: 08-Jul-24



Activity ID	Activity Name	Planned Duration	Start	Finish
Forst Lake SSP Spillway				
General Conditions				
A1000	Mobilization	248	08-Jul-23	08-Jul-25
A1100	Fencing	248	08-Jul-24	08-Jul-26
A1110	Build Laydown Yard	3	06-Jul-24	12-Jul-24
A1120	SESP Measures	2	15-Jul-24	10-Jul-24
A1130	Site Clearing and Drains	2	22-Jul-24	23-Jul-24
A1140	Site Clearing and Drains	30	02-Aug-25	16-Jun-25
A1150	Site Clearing and Drains	10	15-Jun-25	13-Jun-25
A1160	Demol	165	26-Jul-24	08-May-25
Earthwork				
A1050	Stage 1 Excavation	3	29-Jul-24	31-Jul-24
A1060	Stage 2 Excavation	5	17-Sep-24	21-Sep-24
A1070	Stage 3 Excavation	5	15-Oct-24	21-Oct-24
A1080	Install Fill Sand and Stone	5	22-Oct-24	29-Oct-24
A1170	Channel Construction	35	27-Feb-25	17-Apr-25
A1180	Channel F8	19	17-Apr-25	02-May-25
A1210	Topsoil and Seeding	5	02-May-25	08-May-25
SSP and Bracing				
A1190	Install Temp Excavation Support	11	15-Aug-24	15-Aug-24
A1200	Install Bracing	21	16-Aug-24	16-Sep-24
A1210	Install SSP Pales and Wind Knobs	15	24-Sep-24	14-Oct-24
A1220	Install SSP Pales and Wind Knobs	19	29-Oct-24	22-Nov-24
A1230	Install SSP Pales and Wind Knobs	99	26-Nov-24	26-Feb-25
Concrete				
A1100	Cast Concrete Slab #1	6	05-Dec-24	04-Dec-24
A1110	Cast Concrete Slab #2	6	13-Dec-24	12-Dec-24
A1120	Cast Concrete Slab #3	6	27-Dec-24	20-Dec-24
A1130	Cast Concrete Slab #4	6	08-Jan-25	16-Jan-25
A1140	Cast Concrete Slab #5	6	17-Jan-25	24-Jan-25
A1150	Cast Concrete Slab #6	6	27-Jan-25	03-Feb-25
A1160	Cast Concrete Slab #7	3	04-Feb-25	06-Feb-25
A1180	Concrete - Shore Key	4	17-Feb-25	14-Feb-25
A1170	Concrete Slab #8	3	17-Feb-25	21-Feb-25
A1190	Concrete Slab #9	3	24-Feb-25	26-Feb-25
A1210	SSP	14	15-Sep-24	14-Oct-24
A1240	Cone Replacement	10	15-Sep-24	23-Sep-24
A1240	Step Log Work	15	24-Sep-24	14-Oct-24



SCHEDULE

- Actual Work
- Remaining Work
- Critical Remaining Work
- Milestones
- Summary

Forest Lake Special Assessment District
COMPUTATION OF COST
 Restoration of Forest Lake Dam and Part 307 Lake Level
 April 18, 2024 Special Assessment Hearing

Be It Known, that the Forest Lake Level Authority Board, acting as the delegated authority on behalf of Arenac County part 307 Legal Lake Level, in accordance with the statute in such case, made the following computation of the entire cost of said lake level, to-wit:

1 Expense of Maintenance and Improvement of the Lake Level Structure	\$35,000.00
Permitting	\$333,892.15
Project Mangement, Grant Administration, Accounting	\$472,612.75
Past Engineering/Preliminary Design/Soil Boring/Subsurface Investigations	\$460,250.00
Final Design, Easement Preparation and Bidding	
2 Establishment of Special Assessment District	\$16,000.00
Establishment of Special Assessment District and Legal Lake Level	\$15,000.00
Preparation of Assessment Roll and Levying Assessments	\$0.00
3 Land and Property Acquisition	
4 Cost of Construction	\$414,805.00
Phase I - Downstream Stabilization	\$8,152,087.00
Phase II - Spillway	\$653,343.40
Siphon Design and Installation	\$451,566.67
Siphon System Rental	\$193,000.00
Stop Logs	
5 Estimated Cost of Construction	\$1,130,000.00
Construction Engineering, Administration, Staking and Observation	\$10,000.00
6 Estimated Cost of Appeal (in case apportionments are not sustained)	\$8,500.00
7 Cost of Mailing, Publishing Notices and Administration	\$175.00
8 Circuit Court Judge Fees	
9 Legal Fees	\$14,000.00
Arenac County BOC Attorney	\$80,000.00
Lake Level Attorney	\$45,600.00
Financing Attorney	
10 Note & Bond Issuance Costs	\$25,500.00
Financial Advisor	\$4,500.00
Official Statement	\$16,000.00
Rating Agency	\$450.00
Municipal Advisory Council of Michigan (2024 issue)	\$2,500.00
Advertising/Misc	\$500.00
Paying Agent Fee	\$1,000.00
Michigan Department of Treasury Filing	\$40,000.00
Underwriter Fee (assumed 2% of approximate bond size)	\$70,000.00
11 Capitalized Bond Interest (6 months)	<u>\$12,646,281.97</u>
Gross Sum of Expenses	<u>\$873,710.54</u>
Contingent Expenses (7 ±%)	<u>\$7,976,112.57</u>
Less NRCS-EWP Grant	\$800,000.00
Less MEDC Grant	\$2,320,497.29
Less EGLE DRR Grant	\$50,000.00
Less Saginaw Indian Chippewa Tribe	\$286,042.00
Less PA 166 Grant	\$2,087,340.65
Total Cost of Construction of Forest Lake - Lake Level Control Structure	

Filed in the office of the Forest Lake Level Authority Board as the Delegated Authority for Arenac County with other papers pertaining to the within-mentioned lake level. Dated at _____, Michigan, this _____ day of _____, 2024.

Raymond Daniels, Chairman of Forest Lake Level Authority Board

FOREST LAKE PROPERTY OWNERS
ASSOCIATION OF ARENAC COUNTY

STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS

FOR THE YEAR ENDED MARCH 31, 2024
(Compilation)

CONTENTS

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STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS	2
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Schulze, Oswald, Miller & Edwards PC

120 N. Ripley; P.O. Box 901; Alpena, MI 49707
103 E. Main St; P.O. Box 69; Rose City, MI 48654



Alpena 989-354-8707; FAX 989-354-8708
Rose City 989-685-2411; FAX 989-685-2412

To the Board of Directors
Forest Lake Property Owners Association
Alger, Michigan

Management is responsible for the accompanying financial statements of Forest Lake Property Owners Association (a nonprofit organization), which comprise the statement of cash receipts and disbursements for the year ended March 31, 2024 and the related notes to the financial statements in accordance with the cash basis of accounting and for determining that the cash basis of accounting is an acceptable financial reporting framework.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note B of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

We are not independent with respect to Forest Lake Property Owners Association.

Schulze, Oswald, Miller & Edwards PC
Rose City, Michigan

July 8, 2024



Forest Lake

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

July 8, 2024

Mr. Timothy L. Lapham, President
Lapham Associates
116 S. 3rd Street
West Branch, MI 48661

Re: Forest Lake Spillway Repair Plans – May 2020 through December 2022 (the “Project”)

Dear Tim,

I am writing on behalf of the Forest Lake Property Owners Association (FLPOA) to propose a settlement offer of \$7,192.53 as satisfaction in full of Lapham Associates Invoice numbers 21931, 22025, 22026, 22027 and 22038, and the release of all responsibility and liability in connection with the Project of Lapham Associates to FLPOA (the “Settlement and Release Offer”). This Settlement and Release Offer shall be revoked if not accepted by July 9, 2024 (the “Expiration Date”).

We have proposed this Settlement Offer due to the following:

1. Lapham Associates failure to obtain regulatory permitting of the Forest Lake Spillway Repair Plans after nineteen submittals to EGLE;
2. Third Party View conclusion of GEI Consultants dated 12/7/2022 which cited deficiencies in the Lapham design including hydraulic induced instabilities, training wall and slab instability of the spillway chute, and instability of the block wall design;
3. Project invoices already paid to Lapham in the amount of \$131,070.60.

If this arrangement is agreeable, please sign to acknowledge below. Subject your acceptance and prospective funding authorization from the Forest Lake Level Authority Board by July 12, 2024, we are prepared to issue a settlement payment on July 15, 2024.

Sincerely,

Forest Lake Property Owners Association

Daniel R. LeFevre
President

Acknowledged and agreed:

Lapham Associates

Timothy L. Lapham
President

Invoice

Date	Invoice #
12/30/2022	22025

Client:
Forest Lake Property Owners Association Attn.: Dan Lefevre, President 6180 Bobcat Trail Alger, MI 48610

Paul B Lapham & Associates, Inc.
FEIN: 38-1955484

Project # P200217

Terms
Due on receipt

Description	Amount
Forest Lake Dam - Additional Services Rendered July 1, 2022 Through December 30, 2022	5,690.00
Wetland Delineation, Mapping & Report 51.5 hrs Environmental Scientist @ \$85.00/hr= \$4,377.50 12.5 hrs Professional Engineer @ \$105.00/hr= \$1,312.50	28,890.00
HEC-RAS Hydraulic Modeling & Report Engineering 88.0 hrs Professional Engineer @ \$105.00/hr= \$9,240.00 51.5 hrs Principal Engineer @ \$140.00/hr= \$7,210.00 35.5 hrs AICP @ \$105.00/hr= \$3,727.50	
Surveying 42.5 hrs 2-man Survey Crew @ \$150.00/hr= \$6,375.00 8.5 hrs 3-man Survey Crew @ \$215.00/hr= \$1,827.50 13.0 hrs Senior Survey Tech@ \$85.00/hr= \$510.00	
Emergency Changes for Siphon System 14.0 hrs AICP @ \$105.00/hr= \$1,470.00 3.0 hrs Principal Engineer @ \$140.00/hr= \$420.00	1,890.00

Call 989-386-7774 to make payment by credit card.
There will be a 3% convenience fee for all credit card transactions.

Finance Charges of 1-3/4% per month (18% annually) will be charged on all Invoices 30 days past due.

Mail payments to PO BOX 33, CLARE, MI 48617

THANK YOU!!

Total	\$36,470.00
Credits	-\$26,470.00
Balance Due	\$10,000.00

Invoice

Date	Invoice #
12/30/2022	22026

PAST DUE

Client:
Forest Lake Property Owners Association Attn.: Dan Lefevre, President 6180 Bobcat Trail Alger, MI 48610

Paul B Lapham & Associates, Inc.
 FEIN: 38-1955484

Project # P200217

Terms
Due on receipt

Description	Amount
Professional Engineering, Surveying, and Planning Services	2,040.00
Extra Work: New EGLE Floodplain and Inland Lakes & Stream Permit Fee = \$2,000.00 + \$40.00 (Admin Fee) = \$2,040.00	

Call 989-386-7774 to make payment by credit card.
 There will be a 3% convenience fee for all credit card transactions.

Finance Charges of 1-1/2% per month (18% annually) will be charged on all Invoices 30 days past due.

Mail payments to PO BOX 33, CLARE, MI 48617

Total	\$2,040.00
Credits	\$0.00
Balance Due	\$2,040.00

THANK YOU!!

Invoice

Date	Invoice #
12/30/2022	22027

Client:
Forest Lake Property Owners Association Attn.: Dan Lefevre, President 6180 Bobcat Trail Alger, MI 48610

Paul B Lapham & Associates, Inc.
FEIN: 38-1955484

Project # P200217

Terms
Due on receipt

Description	Amount
Forest Lake Dam	58,742.75
Additional Work for Correction Requests & Additional Information Requests From EGLE	
178.75 hrs Professional Engineer @ \$105.00/hr = \$18,768.75	
158.5 hrs Principal Engineer @ \$140.00/hr= \$22,190.00	
192.0 hrs AICP @ \$105.00/hr= \$20,160.00	
22.0 hrs CAD @ \$72.00/hr= \$1,584.00	
Less Previous Invoices	
\$2,310.00 + \$660.00 + \$660.00 + \$330.00 = (-\$3,960.00)	

Call 989-386-7774 to make payment by credit card.
There will be a 3% convenience fee for all credit card transactions.

Finance Charges of 1-½% per month (18% annually) will be charged on all Invoices 30 days past due.

Mail payments to PO BOX 33, CLARE, MI 48617

THANK YOU!!

Total	\$58,742.75
Credits	\$0.00
Balance Due	\$58,742.75



LAPHAM ASSOCIATES

ENGINEERING
PLANNING
ENVIRONMENTAL
SURVEYING

Invoice

Date	Invoice #
1/19/2023	22038

PAST DUE

Client:
Forest Lake Property Owners Association Attn.: Dan Lefevre, President 6180 Bobcat Trail Alger, MI 48610

Paul B Lapham & Associates, Inc.
FEIN: 38-1955484

Project # P200217

Terms
Due on receipt

Description	Amount
Forest Lake Dam - Additional Services Rendered Through December 30, 2022 Separate Floodplain and Inland Lakes & Stream Items to New Permit 6.0 hrs AICP @ \$105.00/hr = \$630.00 1.0 hrs Principle Engineer @ \$140.00/hr = \$140.00	770.00

Call 989-386-7774 to make payment by credit card.
There will be a 3% convenience fee for all credit card transactions.

Finance Charges of 1-1/2% per month (18% annually) will be charged on all Invoices 30 days past due.

Mail payments to PO BOX 33, CLARE, MI 48617

Total	\$770.00
Credits	\$0.00
Balance Due	\$770.00

THANK YOU!!

515 EAST FIFTH STREET
CLARE, MICHIGAN 48617
P: (989) 386-7774 • F: (989) 386-7152

www.laphamassoc.com

116 SOUTH THIRD STREET
WEST BRANCH, MICHIGAN 48661
P: (989) 345-5030 • F: (989) 345-7302

Invoice

Date	Invoice #
9/30/2022	21931

PAST DUE

Client:
Forest Lake Property Owners Association Attn.: Ron Swagman 6180 Bobcat Trail Alger, MI 48610

Paul B Lapham & Associates, Inc.
FEIN: 38-1955484

Project # P210380

Terms
Due on receipt

Description	Amount
Professional Engineering Services Rendered Through September 30, 2022 SESC & Other Permits: 100% of \$ 4,000 = \$ 4,000.00 less previous invoices \$3,627.50 = \$372.50	372.50

Call 989-386-7774 to make payment by credit card.
There will be a 3% convenience fee for all credit card transactions.

Finance Charges of 1-½% per month (18% annually) will be charged on all Invoices 30 days past due.

Mail payments to PO BOX 33, CLARE, MI 48617

THANK YOU!!

Total	\$372.50
Credits	\$0.00
Balance Due	\$372.50

FOREST LAKE PROPERTY OWNERS ASSOCIATION
OF ARENAC COUNTY
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

CASH & INVESTMENTS - MARCH 31, 2023

Petty cash	1,496.17
General bank account	325,594.57
Dam maintenance bank account	71,555.62
Fish bank account	11,112.99
Special assessment bank account	281,744.01
Clubhouse account (see Note C)	4,237.89
Dinner club bank account	2,879.31
Certificate of deposit	94,243.88
GM investments - dam maintenance	<u>24,051.35</u>

Total Cash & Investments - March 31, 2023 \$ 816,915.79

CASH RECEIPTS (page 3) \$ 360,268.20

CASH DISBURSEMENTS (page 4) \$ (613,581.26)

CASH & INVESTMENTS - MARCH 31, 2024

Petty cash	1,496.17
General bank account	230,576.53
Dam maintenance bank account	71,742.49
Fish bank account	11,125.44
Special assessment bank account	120,546.94
Clubhouse account (see Note C)	4,237.89
Dinner club bank account	3,281.17
Certificate of deposit	96,544.75
GM investments - dam maintenance	<u>24,051.35</u>

Total Cash & Investments - March 31, 2024 \$ 563,602.73

See accompanying notes and accountant's compilation report

FOREST LAKE PROPERTY OWNERS ASSOCIATION
 OF ARENAC COUNTY
 STATEMENT OF CASH RECEIPTS
 FOR THE YEAR ENDED MARCH 31, 2024

CASH RECEIPTS:

Dues - current	\$ 114,185.00	
Special assessment	60,118.00	
Clubhouse rental	4,675.00	
Campsite rental - current	61,117.00	
Interest	3,250.54	
Trash	22,523.05	
Activities	26,363.41	
Car and boat stickers	6.00	
Clothing/merchandise sales	3,367.30	
Donations - general	417.00	
House rent	3,700.00	
Real estate listings	70.00	
Office income	5,689.74	
Snowplow	19,595.00	
Logging income	33,111.16	
Sale of property	1,600.00	
Miscellaneous	480.00	
	<hr/>	
Total cash receipts		<u><u>\$ 360,268.20</u></u>

See accompanying notes and accountant's compilation report

FOREST LAKE PROPERTY OWNERS ASSOCIATION
OF ARENAC COUNTY
STATEMENT OF CASH DISBURSEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

CASH DISBURSEMENTS:

Activities	\$ 24,741.08	
Accounting & legal	6,425.00	
Bank service charges	620.40	
Credit card fees	1,618.73	
Clothing	1,051.35	
Dam expense	33,956.00	
Dredging	87,770.00	
Electricity	16,034.02	
Employee expense	1,451.10	
Fees	154.32	
Gasoline	11,371.27	
Heat - natural gas	2,924.69	
Income taxes	3,934.62	
Insurance	15,356.00	
Interest	2,010.03	
Legal	9,824.95	
Licenses	689.00	
Loan repayment - SBA	48,755.03	
Maintenance	31,062.15	
Office supplies	12,005.98	
Payroll taxes	13,087.18	
Property taxes	1,079.40	
Refunds - dock rental	960.00	
Salaries & wages	183,234.50	
Security	1,572.07	
Seminars & training	55.00	
Trash	13,932.14	
Vehicle expense	7,948.04	
Weed control/ecology	15,879.71	
Capital expenditures (see page 5)	<u>64,077.50</u>	
Total cash disbursements		<u>\$ 613,581.26</u>

See accompanying notes and accountant's compilation report

FOREST LAKE PROPERTY OWNERS ASSOCIATION
OF ARENAC COUNTY
STATEMENT OF CASH DISBURSEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

CAPITAL EXPENDITURES:

Spillway	<u>\$ 64,077.50</u>
Total capital expenditures	<u><u>\$ 64,077.50</u></u>

See accompanying notes and accountant's compilation report

FOREST LAKE PROPERTY OWNERS ASSOCIATION
OF ARENAC COUNTY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE A - NATURE OF ORGANIZATION

Forest Lake Property Owners Association of Arenac County was incorporated as a non-profit corporation on September 14, 1970. The Association is located near Alger, Michigan, in Arenac County. The Corporation was formed for the following purposes:

1. To perpetually hold, maintain, improve and beautify, without profit to itself, such parks, beaches, waterways, streets, walkways, driveways, buildings, and structures, as shall be acquired, held, established, or laid out by the Corporation for the perpetual use in common, for all lawful purposes for which such property may be used, of each of the active members of the Corporation.
2. To sell, convey and dispose of any such property acquired through legal action and to invest and reinvest and expend the proceeds and principal thereof to promote the objectives and purposes of the Corporation.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statement has been prepared on the cash basis of accounting. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recorded. The cash basis differs from generally accepted accounting principles primarily because accounts receivable, dues and assessments receivable, fixed assets, accounts payable to vendors, and long-term debt are not included in the financial statements.

Member Assessments

Association members are subject to annual assessments to provide funds for the association's operating expenses, future capital acquisitions and major repairs and replacements. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year.

See accountant's compilation report

FOREST LAKE PROPERTY OWNERS ASSOCIATION
OF ARENAC COUNTY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Association is recognized by the Internal Revenue Service as a non-profit Corporation under Code Section 501(c)(4). The Association pays income tax on unrelated business income, such as newsletter advertising and gain from sale of property.

There are no disputed tax positions pending for the Association.

Restricted Assets

The Board of Directors has designated funds for future development and future dam maintenance costs. The funds will be transferred from the restricted accounts to reimburse applicable disbursements at the Board's discretion and maturity of the investment.

At March 31, 2024, the following accounts were restricted:

<u>ACCOUNT</u>	<u>BALANCE</u>
 <u>DAM MAINTENANCE</u>	
Savings account	\$ 71,742.49
Money Market account	24,051.35
	\$ 95,793.84

NOTE C - RESTRICTED DONATIONS

A recap of the activity to date for the clubhouse fund is as follows:

Account balance at 3/31/23	4,237.89
Voluntary donations	-
Total disbursements	-
Account balance at 3/31/24	4,237.89

See accountant's compilation report

FOREST LAKE PROPERTY OWNERS ASSOCIATION
OF ARENAC COUNTY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE D - SUBSEQUENT EVENTS

Date of Management Evaluation:

Management has evaluated subsequent events through July 8, 2024, the date on which the financial statements were available to be issued and have determined that no material subsequent events have occurred that should be recorded in the accompanying financial statements.

See accountant's compilation report