

By-Law Resident Feedback----

- 1. Residents requested a formal process to seek nominations for their "Resident Representative". Example: Send out letters to all waterfront residents asking for anyone interested to apply and/or recommend someone living on the lake. Then the BLLB can make their selection based on this feedback/information.**
- 2. Residents request an outside accounting firm be hired to audit the BLLB books. In the past Laketon Township and now the City of North Muskegon use their outside auditors to perform this service (at no charge to the BLLB).**
- 3. Residents want shorter term limits for Board members. Currently we have 4 years. What do most Lake Boards do? Are you comfortable with 4 years?**
- 4. Residents want BLLB Officers to be elected and/or re-elected every year in January. I thought this was a requirement of all Michigan Lake Boards??**
- 5. Residents requested that the majority of Board members be present (more than 3) for the "important" votes (i.e. approval of expenditures, by-law updates, business partner selection). The BLLB currently has a quorum requirement of at least 3 members to have a meeting. In reality, as the Chairman, it has been my practice to have at least 4 members present for "important"/"high impact" decisions.**

Hi Darrell. Here are my thoughts.

1. Part 309 of the Michigan Environmental Protection Act, MCL 324.30903(1)(b), provides that an organization that represents the majority of lakefront property owners may submit up to three names to the Board, from which the Board shall make its selection.

The Board could send out letters as requested, if the Board has access to accurate information in order to send such letters. If the Board wants to do that, the procedure could be described in the bylaws, or it could be in a resolution adopted by the Board so that the bylaws don't get bogged down in such details.

2. Based on your question, I'm not sure if the residents are satisfied with the Board using an outside accounting firm that serves the Township or the City, or if the residents are seeking a separate outside accounting firm that would cost the Board more money? Either approach is legal. Again, one question is whether the Board wants such detailed information in the bylaws, or if the Board wants to be able to make that decision based on relevant information each year.

3. Under MCL 324.30903, the term of the lakefront property owner must be four years. The terms of the persons appointed by the County, the Township, and the City are set by the appointing authorities; the persons may be appointed for the length of their terms with the County, the Township, and the City, respectively. The bylaws may not specify a shorter period than four years.

4. MCL 324.30903(2) simply requires the Board to elect a chair, a secretary, and a treasurer. It does not specify if the terms should be one year or two years. Either option is legal.

5. Section 10.b of the bylaws specifies that a quorum is three Board members. If a greater number is required for a quorum at certain times, or for an approval of certain actions, there must be clarity about when those

requirements are effective (such as, to approve a contract above a certain dollar amount, to approve a special assessment district, to approve a special assessment roll, to approve an amendment to the bylaws, etc. We don't want to get into a dispute about what things are substantive enough to require at least three votes or four votes to approve, and what things are not.

Based on how the Board wants to proceed with the above, I'll be happy to revise the bylaws as necessary. Thanks, and have a great weekend.