

The current board is also recommending four amendments that we feel are necessary to clarify current rules and to make governing the properties more effectively. All the amendment will be drafted and prepared by Kaman and Cusimano, and will be ready to be voting on at the meeting held at **Macedonia City Hall on January 29, 2014 at 7:00 pm**, if a quorum is established. The following is the outline of the amendments and reasons why we feel they are necessary.

Amendment 1: Neighborhood Fencing

Our by-laws and declaration are very vague on fencing in the neighborhood. They clearly state that no structure, such as a fence, is allowed in the Nature Preserve, (*Article VII Nature Preserve: Section 1, Sub-Sections c, within our Declarations*) but it fails to provide any rules and regulations on fencing outside of the Nature Preserve.

The board feels that a more structured amendment is needed to clearly define what types of fencing may be allowed in the neighborhood. The board has identified certain types of fencing, which are all in good taste, and will be the only types of fencing allowed to be erected in the neighborhood. Pictures of these fences will be provided at the meeting. **(And are attached to this email)**

Secondly, the neighborhood will also have the opportunity to outlaw fencing of any kind. Although members of the current board feel that previous boards have wrongly operated under the notion that fences have not been allowed, they feel that an opportunity to permanently outlaw fences will definitively put an end to any debate moving forward.

Amendment 2: Board Structure

With the increased number of homes in the neighborhood, the board feels that repealing rule 4.02 within Article IV: Trustees, in our Codes of Rules, and replacing it with a similar rule that increases the board from 3 to 5, to 5 to 7 members, is needed to better govern the Properties of Lake Forest Estates.

Amendment 3: Collections of Annual Assessments (Dues)

Section 5; Basis and Maximum of Annual Assessments within Article VI: Management, Maintenance, and Maintenance Assessments in our Declarations, reads that the annual assessment, aka dues, will be Fifty Dollars (\$50.00) per Lot. Within *Section 8; Changes in Basis and Maximum of Annual Assessments*, each year after 2003, the board would need the affirmative vote of 2/3 of 50% of the voting power to increase the annual dues.

With the neighborhood growing bigger every year, the current board finds it more and more difficult to stay within these guidelines set forth by our Declarations. We recommend that the annual dues be set up to \$300 per year, and that any increase from \$300 would need the approval of at least ½ plus 1 of 50% voting power of the neighborhood. (See Amendment 4)

That does not mean that each year the dues will be \$300. Approving this amendment would just mean that the board would not need to seek the approval of 50% the neighborhood if the annual dues are \$300 or less.

The board does however feel that increasing the annual dues will allow more projects to be planned and brought to fruition over the next few years. In 2014, if the budget is approved, a lighted fountain will be placed in Lake Forest, as well as, some seating areas on Whispering Woods, vines around the black fences over the drainage pipes, and a decorative finish to the drainage pipe in the detention basin. The current board voted unanimously 4-0 on 11/19/2013 to approve these measures, as well as, the entire 2014 budget.

Amendment 4: Quorum Structure and Voting

There are currently several conflicting rules and regulations concerning quorum numbers and percentages required for passage in our Codes of Regulations and our Declarations. Listed are the various sections and codes.

Declarations: *Article VI; Section 8 reads 2/3 of 50% for changes in Annual Budget*
Article IX; Section 5 reads ½ of 60% for amending or repealing declarations

Code of Regulations: *Article III 3.02 (Members' Dues) See the Declarations*
3.08 (Quorum of Members) 60% needed for assessments
40% needed for all other
Article IX; Section 9.01 (Modifications of Regulations) 50% affirmative for a passage for amendments if quorum is present.

Because the two documents that we use to govern the neighborhood contradict themselves in the areas of assessments and amendments, we feel that a new policy would better serve the neighborhood.

For this vote we will use the highest percentage 60% for a quorum, and a 2/3 votes to pass the annual dues and each amendment. In the future, we would like to amend the declarations to a more uniformed by-law that reads 50% of the neighborhood (86 members)*constitutes a quorum, and that an affirmative vote (44 or ½ plus 1)* would pass any and all measures

proposed to the neighborhood by the board. Those would be the lowest numbers allowable to pass an increase to the annual dues and for adopting any new amendments. We will still strive for 100% participation from the neighborhood, however, we feel that these numbers will allow the board to effectively govern, while still leaving the power with the majority of the neighborhood.

*That number may change for various reasons not limited to a decreased number of Lots in the neighborhood and a lower number of participants because they are not current on dues owed to the Association. (Article IV: Membership and Voting Rights in the Association) (Article VI: Management, Maintenance, and Maintenance Assessments in our Declarations, Section 11: Exempt Property)

In conclusion, we are trying to govern by the guidelines set forth by our declarations, code of rules, and amendments. The passage of these four amendments would make governing the neighborhood within structured guidelines more attainable. Furthermore, the passage of these amendments would not only make the current board more effective, it would allow future boards to better serve the neighborhood.

The Lake Forest HOA

Kevin M. Bilkie – President Wayne Monaco – Treasurer
Sue Andrews – Secretary Damjan Rimac – Vice-President