

Dear Neighbors,

On behalf of the Eagle Pointe Board of Trustees, we would like to sincerely thank the 85+ residents (as recorded on the sign-in sheets) who attended the Quarterly Meeting held on July 24, 2025. Typically, attendance is under 20, so your presence was truly significant.

We understand that many of you may have attended in response to an anonymous flyer that was circulated just 48 hours before the meeting. However, as outlined in our procedures, it was not our intention to address unscheduled topics during the regular meeting.

If the group responsible for the flyer had wished to have their concerns formally addressed, the appropriate course would have been to request a special membership meeting, as outlined in our current Bylaws. Please refer to the following excerpt for clarity:

ARTICLE XIV – MEETINGS

B. Any paid-up/paying-up member may request that the President or the Board of Trustees call a special membership meeting.

- Such a request shall be in writing and must state the business to be conducted at the special meeting.
- If granted, only the business specified in the written request will be discussed.

Unfortunately, these procedures were not followed. As a result, the July 24 meeting became combative and unproductive. The library staff felt compelled to involve the fire marshal and police due to safety concerns, and we were asked to end the meeting and vacate the premises. We have since been informed that we are no longer permitted to reserve space at the library for future meetings.

Despite these setbacks, we remain committed to transparency, respectful dialogue, and the well-being of the Eagle Pointe community. In that spirit, we would like to take a moment to directly address and correct some of the misinformation and false allegations contained in the anonymous flyer.

Rebuttal to Misinformation: Owner Voting Rights on Budget and Dues

Owner Rights

Claim: *The Board has removed owners' rights to vote on the annual budget and dues.*

Fact: This is incorrect and reflects a misunderstanding — or misrepresentation — of the Eagle Pointe Bylaws. We encourage all residents to review the full Bylaws PDF, which is publicly available on our website:

 https://www.eaglepointepark.com/_files/ugd/3636cb_2313a6414ed2412f8c5a992154243ed4.pdf

By using the search function (CTRL + F) for the word “**vote**”, you’ll see that it appears 14 times, and only in sections related to:

- Special Assessments
- Amendments or Changes to the Bylaws
- The Voting Procedures section itself

There is no requirement or provision in the Bylaws for members to vote on the annual budget or regular dues.

This is further supported by the language in the Bylaws

Article VII – Capitalization / Dues / Special Assessments, which states:

“The yearly fee shall be presented by the Board only at the January membership meeting, in conjunction with the presentation of the budget.

- The Board will set the fee and adjust yearly based upon (CPI) not to exceed 5% in any year.
- The budget presented by the Board shall contain a contingency fund equal to five percent (5%) of the amount that is budgeted as regular dues income to be spent at the discretion of the Board of Trustees...”

This procedure is consistent with common HOA practices in Michigan. For further independent reading, you may consult credible sources such as:

 [Michigan HOA Laws & Regulations](#)

We urge residents to seek out factual information and not rely on anonymously circulated documents that spread confusion.

Claim: *Removing our right to review the association financials.*

Fact: No rights have been removed. The association’s financials continue to be managed transparently using online accounting software. Access to this platform is restricted to appropriate board members, each with individual credentials, to ensure data security and financial integrity.

While the Bylaws grant members the right to review financials, they do not specify the format or method. If the annual budget, printout of monthly expenses, and screen shots are insufficient, we are open to providing additional documentation provided that it aligns with privacy and security protocols.

Additionally, we are happy to make our annual income tax filing and year-end financial statements available to any member upon request. Our goal remains full transparency while protecting the integrity of our financial systems.

Claim: *Removing our right to remove the board of our own free will.*

Fact: No such right has been removed—because under the current Bylaws, no such right has ever existed. The Bylaws do not include a provision allowing general members to remove individual board members at will. However, there is a clear process for officer resignation, and a provision for leadership continuity in the event of multiple simultaneous vacancies.

Article XII: Election of Officers

Section H: “In the event of the simultaneous default of three or more officers, a temporary chairperson shall be appointed by the majority of those present at a membership meeting (or at the next regular

membership meeting, if the default occurs between meetings), and he/she shall have the power to conduct the business of the Association until a special election can be held.”

This ensures stability and a democratic process for replacing officers in extraordinary circumstances. If members would like to see the Bylaws changed to allow for recall or removal of board members, that would require a formal amendment process as outlined in the governing documents.

Financial Management

Claim: *Signing a \$20,000 maintenance contract, with plans for up to \$100,000 more, without member knowledge or approval.*

Fact: Member approval was not required for this contract. The Board acted within its authority to approve essential repairs based on recommendations from both the Maintenance Committee and the former Seawall Committee, who have repeatedly communicated the need to address the deteriorating portions of the seawall.

The Board voted to proceed with a \$20,000 contract for critical repairs. This decision followed a presentation by the president of Anchor Marine Construction, whose expert assessment helped reinforce the importance and urgency of the work. We believe this investment is both necessary and prudent.

As for the mention of “up to \$100,000 more,” that figure refers to *optional* future work discussed in a supplementary handout. These were suggestions to help prolong the life of the seawall—not commitments. No contract has been signed for any of those additional options. Further research, discussion, and potential member input will take place before any decisions are made regarding those possibilities.

Claim: *Failure to save required reserves of 20% to seawall and 10% to fence accounts from regular dues income.*

Fact: These required reserves were, in fact, made. When the Certificates of Deposit (CDs) matured in October, funds were transferred from the association’s checking account into the designated seawall and fence reserve accounts, increasing their respective balances accordingly.

The current Bylaws do not specify how interest earned on reserve funds should be handled—whether it must be reinvested into the same accounts or treated as general income. This ambiguity was one of the issues the proposed Bylaws amendments aimed to clarify. Going forward, further discussion and clarification may be needed to ensure consistent reserve practices that align with both financial responsibility and member expectations.

Claim: *Spending interest earned from these restricted accounts for yearly operations.*

Fact: Interest earned on reserve accounts is considered general income under IRS rules and is subject to taxation. Our association is required to report and pay taxes on that income accordingly.

Our current Bylaws do **not** specify how this earned interest must be allocated or restricted, meaning there is no rule prohibiting its use for general operational expenses. This is another area where clarification may be beneficial going forward, and it was one of the topics addressed in the proposed Bylaws amendments.

It's important to note that the role of the Board, as outlined in the Bylaws and consistent with HOA best practices and guidance from the Michigan Condominium Act and the Nonprofit Corporation Act, is to manage the financial and physical assets of the association. The Board is authorized to make financial decisions—including how to handle income and expenditures—without requiring a membership vote, unless specifically stated otherwise in the Bylaws. Notification, not approval, is generally the standard.

For further context, please review the opening statement from the Board of Trustees section in the Bylaws and compare with widely accepted HOA governance standards.

ARTICLE X – BOARD OF TRUSTEES

The Board of Trustees shall be the governing body of the Association and shall have powers as specifically conferred upon it, herein, and such other powers as are ordinarily given by custom or law. The property and business for the Association shall be held and managed by a Board of Trustees consisting of three (3), but no more than five (5) officers listed in Article XI.

Representation

Claim: Failure to create representative committees that act in the interest of all members.

Fact: Without specific examples or context, the Board cannot adequately respond to this claim. We encourage any member who has concerns about a particular committee's composition, actions, or decisions to bring those concerns forward in writing via email.

Claim: Falsifying financial standing

Fact: Without specific examples or context, the Board cannot adequately respond to this claim. We encourage any member who has concerns about a particular committee's composition, actions, or decisions to bring those concerns forward in writing via email.

Claim: Misrepresenting written bylaws.

Fact: We respectfully disagree with this claim. As stated in previous responses, the Board has not misrepresented the Bylaws. We have interpreted and applied them in good faith, based on our understanding and in alignment with common HOA practices, the Michigan Condominium Act, and the Nonprofit Corporation Act.

If any member believes a specific bylaw has been misapplied or misunderstood, we welcome a constructive discussion with clear references so that it can be addressed directly and transparently.

Claim: *Failure to hold Lot A in trust and benefit for all owners.*

Fact: We respectfully disagree. Lot A, also known as Eagle Cove Park, is the association's largest shared asset and is intended for the use and benefit of all members.

The **Articles of Incorporation** clearly state that the purpose of the association—and by extension, the Board—is to maintain and manage common property, including Lot A, for the collective benefit of all property owners. The Board remains committed to fulfilling this duty and ensuring that Lot A is preserved, maintained, and used in a way that aligns with the interests of the entire membership.

We hope this response helps clarify the concerns that have circulated in the flyer. Our goal has always been to serve the community with transparency, integrity, and in accordance with our governing documents. We welcome open, respectful dialogue and remain committed to working together in the best interest of all members.

Sincerely,
Eagle Pointe Board of Trustees