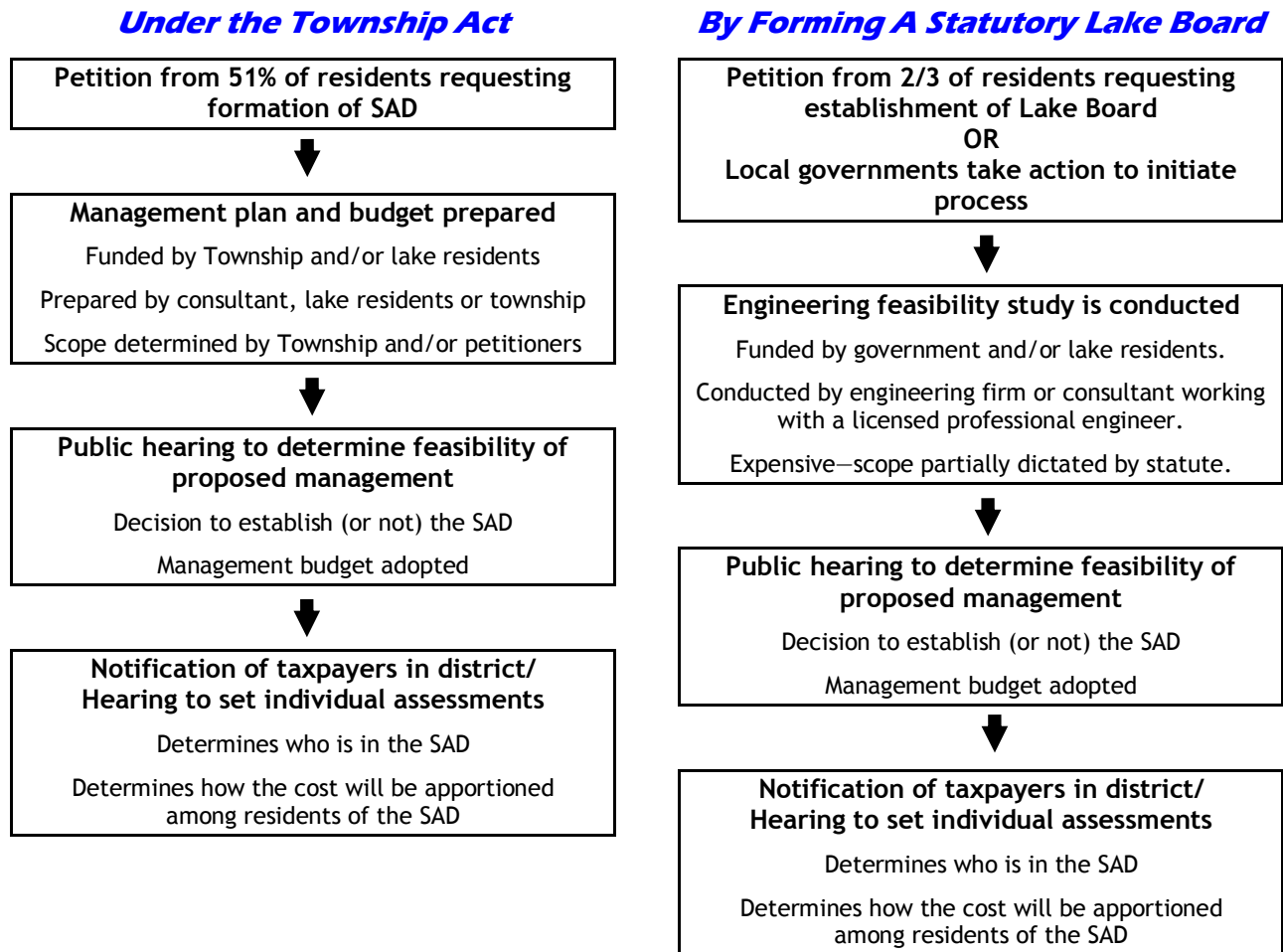


Establishing a Special Assessment District (SAD) For Lake Management



Key Differences:

Percentage of landowners required to sign petition: **2/3** for a Lake Board, but only **51%** for a Township Act SAD.

Cost of plan preparation—the engineering feasibility study required to for a Lake Board is typically much more expensive than the plan required to establish an SAD under the Township Act.

Responsibility for management decisions—For SADs established under the Township Act, the Township makes management decisions in conjunction with lake residents. In some cases, Townships delegate most decision-making responsibilities to the Lake Association. If a Lake Board is formed, the Lake Board makes all management decisions. The Board consists of a representative from each governmental entity affected by management, the Drain Commissioner from each county affected, a representative from the Michigan DEQ and a single representative of the taxpayers in the SAD.

Recommendations:

In order for the assessment to be collected with spring taxes, the entire process must be completed by mid-September. Given the public notice required for hearings, etc. this means that the hearing of practicability must be conducted by mid-August, at the latest. We recommend that petition drives be well under way by July 4, if not before.

When the proposed SAD spans several governmental entities (townships, counties, municipalities, etc.), there are advantages to establishing a Lake Board.