

LAKE ISABELLA PROPERTY OWNERS ASSOCIATION

BYLAWS Accepted July 15, 2017

PREAMBLE

The organization shall be known as the Lake Isabella Property Owners Association (LIPOA) with the office located in the Village of Lake Isabella, Isabella County, Michigan. The purpose of the LIPOA shall be to provide for the maximum enrichment and enjoyment of the membership with emphasis on the general welfare, recreation, health, safety, environmental concerns, and the development and maintenance of all common properties.

Article 1 Membership

1. Membership Classifications

The "General Membership" of the LIPOA shall be comprised of regular members, special members and Renter/Lessee members as defined herein:

- (a) "Regular Member" - any person or entity who holds an equitable interest or an undivided equitable interest in property within the Village of Lake Isabella, and is subject to LIPOA dues and assessments, in good standing by being current on membership dues, maintenance fees and any and all other fees due LIPOA, excepting any person or entity who holds such interest merely as security.
- (b) "Special Member" – any person or entity who holds an equitable interest or an undivided equitable interest in property within or abutting the Village limits, and has paid the current annual membership dues plus the current annual maintenance fees, upon confirmation by the LIPOA Board of Directors. Special Members have no voting rights.
- (c) "Renter/Lessee Member"– Any person who rents or leases property within the LIPOA that is owned by a Regular Member in good standing, whereby the Regular Member pays an additional membership dues on the leased property. Renter/Lessee Members have no voting rights.

2. Suspension of Membership

The Board of Directors may, by a two thirds affirmative vote, suspend the membership privileges of any person for cause found after an appropriate hearing.

3. Reinstatement of Membership

Upon written request signed by a former or suspended member filed with the Secretary of the LIPOA, the Board of Directors may by a two thirds affirmative vote, reinstate any former or suspended member whose membership has been terminated or suspended upon such terms and conditions as the Board of Directors may deem appropriate.

4. Membership Ineligibility

Any property owner will become ineligible for membership due to non-payment of their annual dues and/or maintenance fees.

5. Membership Transferability

Membership in this Association is neither transferable nor assignable.

Article II Meetings & Elections

1. General Membership Meetings

Meetings of the general membership shall be, and may be called as follows:

- (a) An "Annual Meeting" to be held each year on the third Saturday of August, with proper notice served to all current members through a mailing, the website, and/or by special notice, and whose business shall include reports of the activities of the Board of Directors for the previous year, an accounting of all financial matters, the election of members to serve on the Board of Directors, and any other business necessary to be brought before the general membership. If the Annual Meeting shall not be held on the day designated herein for any reason, or at any adjournment thereof, the Board of Directors shall hold the annual meeting on the third Saturday of September.
- (b) A "Special Meeting" which may be called by either the President of the Board of Directors, a majority of the Board of Directors, or not less than 1/10th of the regular members, with proper notice served to all current members through a mailing, the website, and/or by special notice, at least fourteen (14) days, but not more than sixty-three (63) days, prior to the meeting date, with the purpose(s) of the meeting stated in the notice.

2. Quorums

"Quorum" for each respective meeting shall be as follows:

- (a) General Membership meetings: not less than fifty (50) regular members for the annual meeting or special meetings of the general membership.
- (b) Board of Directors meetings; a simple majority of those serving on the Board.
- (c) Committee meetings; a simple majority of those serving on said Committee.

3. Voting Rights

- a.) For each regular membership, as defined in Article 1- 1a, one vote is eligible to be cast.
- b) When voting for members of the Board of Directors, a regular member may only vote for one director in the district which is their primary address. If unable to attend the annual meeting or special meeting's of the general membership, an absentee ballot for election of directors may be obtained from the LIPOA office and must be returned not less than 3 days prior to the annual meeting.
- c) All proposals/amendments requiring membership approval will provide for absentee ballots for use by regular members. Absentee ballots must be returned to the LIPOA office by deadline designated for said proposal/amendments. Passage or defeat of a proposal/amendment will be determined solely by a simple majority of those voting both present and by absentee ballot.
- d.) A non-homeowner, who owns property in multiple plats, must file at the Association office at least 30 days prior to voting, the plat where he/she has chosen to vote for a director.

Article III. Board of Directors

1. Election

The Board of Directors shall be comprised of nine (9) regular members of the LIPOA, who shall be elected at an annual meeting by regular members both present and those voting by absentee ballot. There shall be one (1) representative from each of the Districts, as identified in "Appendix a" of these Bylaws.

2. Term of Office

All full terms of office for Directors shall be 3 years. Any Directors appointed by the Board of Directors will serve only until the next annual meeting, at which time the regular members of the district shall elect a director for the remainder of the vacated term.

3. Organizational Board Meeting

An organizational meeting of the Board of Directors shall be held immediately after, and at the same location, as the annual meeting. The purpose of this organizational meeting shall be to establish the dates and times of their regular meetings, elect officers, and any other business that may arise.

4. Removal From Office

A director may be removed from the Board due to unsatisfactory service or non-performance of duty by a two-thirds vote of the remaining members of the Board. A director may also be removed from the board by petition of two-thirds of the regular members within that director's district.

5. Vacancies

The Board of Directors may fill by appointment any vacancy occurring on the Board with such appointee representative of the district for which the vacancy has occurred. If no member is willing to serve from the vacant district, the board may appoint another regular member to represent that district. Appointees will hold office until the next annual meeting, at which time the regular members of the district shall elect a Director for the remainder of the vacated term.

6. Management

The Board may employ a Manager/Administrator who shall report directly to the President and who shall be responsible for the day-to-day operations of the LIPOA and its membership, including those duties as specifically assigned, among which include the hiring, dismissal and supervision of all other employees of the LIPOA.

7. Duties of the Board of Directors

a.) To act as the successor of the Lake Isabella Corporation, being charged with the administration and enforcement of the various "building and use restrictions" associated with the plats within the organization and;

b.) To develop procedures and policies which govern the operations of the organization, which include but is not limited to the following:

- The investment of surplus funds in certificates of deposit, saving accounts, money market accounts, treasury notes, municipal bonds and other non-commercial paper.
- Member use of common properties.
- Purchasing and bidding requirements.
- Establishing compensation for the attendance of scheduled meetings.
- The acquisition or sale of real property.
- Parliamentary procedures for the organization.

- Establishing filing requirements and deadlines for candidates seeking election to the *Board of Directors*.
- The collection of dues and assessments, including any penalties for unpaid dues and assessments.
- To adopt an annual budget and multi-year capital improvement plan.

8. Conflict of Interest

Any member of the Board of Directors who has a conflict of interest with any matter pending before the Board, of such nature as defined herein that it prevents, or may prevent that member from acting in an impartial manner, the Director shall offer to the Board of Directors to voluntarily excuse himself/herself and will vacate his/her seat and refrain from discussion and voting on said item. No member of the Board of Directors shall vote on any question in which he/she has a financial interest, or on any question concerning his/her own conduct.

9. Duty to Vote

All Directors shall have a duty to vote on matters before the Board.

Article IV **Officers**

1. LIPOA Officers:

The officers of the Board shall include President, Vice President, Secretary and Treasurer, nominated and elected by the Board and shall each serve a one (1) year term, or until their successor(s) are elected and seated.

The President shall preside at all Board and membership meetings, may appoint committee chairs and/or committee members, supervise the Manager, sign all legal documents authorized for his/her signature as authorized by the Board, and perform other duties as associated with the office.

a.) Vice-President

The Vice President shall assume the duties of the President in his/her absence and other duties as assigned by the President and/or the Board.

b.) Secretary

The Secretary shall be responsible for the minutes of all meetings of the Board and the membership, keep all approved minutes in a record book or journal, distribute copies of minutes as applicable, be custodian of the corporate seal and affix such to documents as may be required by law, oversee all elections, and other duties as assigned by the President and/or Board, and shall assume the duties of the President and Vice President in their absence.

c.) Treasurer

The Treasurer shall keep record of the LIPOA annual budget, prepare financial reports as needed and other duties as assigned by the President and/or Board, and shall assume the duties of the President, the Vice President and the Secretary in their absence.

Article V **Committees**

1. Committee Creation

The Board of Directors may appoint standing and special committees, as needed, whose members must be regular or special members of the LIPOA.

2 **Term of Appointment**

Each committee member shall serve until the next annual meeting of the general membership, or until a successor is appointed, or termination of the committee itself.

3 **Committee Chairs**

One member of each committee shall be selected by the committee members, to serve as chair.

4 **Authority to Act**

Committees will make recommendations to the Board of Directors, but shall not act without the consent and endorsement of the Board of Directors.

5 **Removal from Committee**

A member may be removed from the committee due to unsatisfactory service or non-performance of duty by a two-thirds vote of the remaining members of the committee.

Article VI **Common Properties**

1 **Common Properties Defined**

Lake Isabella, out lots, parks, beaches, buildings, structures, personal properties, and any and all other properties owned and maintained by the LIPOA for the common benefit and enjoyment of the membership.

2 **Member Privileges**

Every regular member, special member and/or renter/lessee member shall have access to use the Common Properties and amenities, under the terms and conditions set by the Board of Directors.

Article VII **Fiscal Year**

The fiscal year of the LIPOA shall begin March 1st and end the last day of February of each year. Every three (3) years the financial records shall be audited by an independent auditor.

Article VIII **Indemnification**

The LIPOA agrees, on a case by case basis, to indemnify all Directors and employees if the individual acted in good faith and in a manner the person reasonably believed to be in the best interest of the LIPOA

Article IX **Amendments**

These Bylaws may be amended by a simple majority of the regular members at any duly-convened membership meeting, provided a copy of the proposed proposal/amendment(s) has been provided to each member at least fourteen (14) days prior to said meeting.

