

SUNSET LAKE ASSOCIATION BYLAWS

Article I - Association

SECTION 1 Name

The name of this Corporation shall be SUNSET LAKE ASSOCIATION and its principal office shall be located at the Hanauer Hall Community Center, 30505 East Lake Drive, Girard, IL 62640.

SECTION 2 Purpose

The purpose of the Sunset Lake Association is to create and preserve a recreational and residential facility for the benefit of the Association members.

SECTION 3 Seal

The Seal of the Sunset Lake Association shall be circular in form and around the rim and middle there shall be inscribed the words: "Sunset Lake Association, Girard, Illinois."

Article II - Membership

SECTION 1 Eligibility

Membership shall be open only to those who have executed a valid lease with the Sunset Lake Association.

The Board of Directors shall acknowledge any membership transfer at the Board meeting immediately following the lease transfer. (Modified October 2019)

The Board of Directors may establish a new membership to accompany a newly executed lease if none is available for transfer.

SECTION 2 Assessments

Members may be assessed by the Board of Directors in an amount deemed necessary for the operation of Sunset Lake Association for maintenance of corporate property, roads, shoreline, lake and any other expenses for the good of the Association. These assessments shall be budgeted by the Board of Directors, submitted to and approved by a two-thirds (2/3) vote of the members present at a special or annual meeting in person or by proxy after due notice is given as provided in the Bylaws.

SECTION 3 Rights

Only members in good standing who have paid their assessments shall be entitled to:

1. vote at Annual and Special meetings of the membership and shall be entitled to one vote per each Membership;
2. hold office in the Sunset Lake Association, if elected or appointed in accordance with Article V; and
3. partake, with their guests, in all privileges of the lake as may be determined by the Board.

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Article III - Meetings

SECTION 1 Annual Membership Meeting

The annual meeting of the members of the Association shall be held at a convenient location on the third Saturday of the month of October each year at 10:00 AM for the purpose of electing directors, approving a budget, and transacting other business as may come before the meeting. If a budget is not approved by January 1, the Board of Directors is authorized to process and pay payroll and other routine monthly expenses as necessary. (Modified October 2019)

SECTION 2 Special Membership Meetings

Special meetings of the members of the Association may be called by the President, by the Board of Directors, or by not less than one-fifth (1/5) of the membership of the Association. (Modified October 2019)

SECTION 3 Notice of Membership Meetings to Members

Written notice of any membership meeting stating the place, date and hour of the meeting, and in case of a special meeting, the purpose(s) for which the meeting is called, shall be mailed not less than seven (7) days nor more than twenty (20) days before the date of the meeting to each member. The Secretary shall include with the letter for the annual meeting a copy of the agenda, financial statement of the Association, and a copy of the Board of Directors' proposed budget for the ensuing year. Written notice may be provided electronically by e-mail or text unless the member elects, in writing, to receive a printed copy by way of postal service. The electronic mailed date shall be the date sent and meet the deadlines listed above. (Modified October 2019)

SECTION 4 Quorum

At any membership meeting a quorum for the transaction of business shall be deemed to be present when fifteen percent (15%) of the votes entitled to be cast are present, including proxies. Voting by written proxy shall be permitted provided that such written proxy is filed with the Secretary of the Association by the time of roll call of the members at the meeting or prior thereof. After roll call, no additional members or proxies may be registered.

SECTION 5 Proxies

Members wishing to vote by proxy must send their proxy to the office to be registered by the Secretary of the Board. Proxies must be received via the US Mail service at least 48 hours prior to the annual or special called meeting. *(Passed 2018)*

SECTION 6 Membership Meeting Minutes

Written minutes of all membership meetings must become available on-line to the membership of the Association once approved. (Added October 2019)

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Article IV Board of Directors

SECTION 1 Purpose

The business and affairs of the corporation shall be conducted and managed by its Board of Directors.

SECTION 2 Establishment of Rules

The Board of Directors shall have the power to establish rules as deemed necessary or advisable, and may amend or repeal any rule(s). No new rule(s) or amended rule(s) shall be enforced without giving written notice to all members of the Association. Written notice may be provided electronically by e-mail or text unless the member elects, in writing, to receive a printed copy by way of postal service. (Modified October 2019)

SECTION 3 Use of Property

The Board of Directors shall have the duty to direct the terms and conditions of the use of the lake and any property of the Association and to provide for the dividing of the real estate into residential sites, and the terms and conditions thereof.

SECTION 4 Lake Shore Lease

The Board of Directors is authorized to make amendments to any existing Lake Shore Lease and to the form of any future Lake Shore Lease, **as necessary to enable** the custodian of any such lease to mortgage or pledge the leasehold estate with any bank or any commercial lender. **and generally to result in the leasehold estate being the subject matter of transfer, and that the Directors fix the terms of any amendments to existing Leases or new Leases. ??WHAT ARE WE TRYING TO SAY HERE??**

SECTION 5 Board Membership and Terms

The number of directors of the Association shall be no less than five (5) and no more than nine (9) in numbers and each director shall be elected for a term of three (3) years. (Modified October 2019)

SECTION 6 Vacancies

Any vacancy occurring on the Board of Directors caused by death, resignation or otherwise shall be so appointed by the Association president and shall serve only until the next annual meeting of members, at which time a director shall be elected by the membership to complete the unexpired term, if any, of the director originally elected to that office.

SECTION 7 Removal

Any director who shall miss three (3) consecutive board meetings or fifty percent (50%) or more within any fiscal year, without reasonable cause, shall be deemed to have resigned his position and a new member shall be **appointed by the Board President to fill the vacancy until the next annual membership meeting.** The Board of Directors may determine what shall constitute reasonable cause for failure to attend such meetings.

Removal action may be initiated against any director:

- Charged with malfeasance, misfeasance, or nonfeasance;
- Found to be in conflict of interest with the Association's established Bylaws or Rules and Regulations;

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- Found to be conducting themselves in a gross unprofessional manner resulting in physical or verbal abuse of a member; or
- Found to be in flagrant violation of existing Rules and Regulations.

Removal Action of a Board Director can be initiated in either of two ways:

1. By a majority vote of the Board of Directors which must state the reason and evidence for removal.
2. By any member providing a petition with signatures from at least thirty-three percent (33%) of the membership, listing the reason and evidence for removal. Such petition shall be taken up by the Board of Directors following notice at its next regular meeting.

A Board Director may be removed by a two-thirds (2/3) vote of the membership, including proxies, present at an Annual Meeting or a Special Meeting of the Association, notified according to Article III, **Section 3**.

SECTION 8 Board Meetings

A. Regular Board Meetings

The Board of Directors shall meet the first Tuesday of each month unless this day falls on a legal holiday or Election Day then the meeting will be held the following Tuesday, at the Community Center for the purpose of transacting any old or new business of the Association.

Meetings of the Board shall be open to any member of the Association.

Additional regular Board meetings may be called by the President of the Association, or by the request of three or more Board members for purposes of conducting Association business that is time sensitive.

Written notice of a change of date or time for the regular Board meeting shall be delivered at least 48 hours prior to the meeting. Written notice may be provided electronically by e-mail or text unless the member elects, in writing, to receive a printed copy by way of postal service. Written minutes of all regular Board meetings must become available on-line to the members of the Association once approved.

B. Special Board Meetings

Special Board meetings may be called by the President of the Association, or by the request of three or more Board members.

1. Special meetings may be called, separate from a noticed meeting, to discuss closed session items including:
 - To discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the board of directors finds that such an action is probable or imminent,
 - To consider information regarding appointment, employment or dismissal of an employee, or
 - Items of sensitive nature.

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2. Noticed meeting of the Board may be called to discuss large-scale or complex business in open session and shall be open to all Members.

No vote shall be taken on any matter in Special Board meetings. Vote on such matters shall be taken at future regular Board meetings. (Modified October 2019)

SECTION 9 Quorum

A majority of the Board of Directors shall constitute a quorum for the transaction of business of the Association.

SECTION 10 Committees

The Board of Directors may, by resolution, determine and designate the number of regular and special committees to be appointed by the President, with the approval of the Board of Directors, and the duties and length of tenure may be in like manner designated.

Article V Officers of the Association

SECTION 1 Officers

Officers of the Association shall consist of a President, a Vice President, a Secretary and a Treasurer, and must be members of the Board of Directors. **These four officers shall be referred to as the Executive Board of the Association.**

SECTION 2 Election of Officers

Officers shall be elected **by the Board of Directors** at their first regular monthly meeting following the annual **membership** meeting; or, in the case of a vacancy, the next **board** meeting following the vacancy. All officers must be in good standing with the Association's Governing Documents **at the time of election and must remain in good standing throughout their term of office.**

SECTION 3 Duties of Officers

The officers of the Association shall have the powers to discharge the duties of their respective offices with diligence and dispatch, and shall perform the duties usually pertaining to their respective offices and such other duties as the Board of Directors may determine.

Article VI Amendments

SECTION 1 Notice

The Bylaws of this Association may be amended at an Annual or a Special meeting of the members provided that in the notice calling such a meeting, the proposed amendment(s) shall be set forth in writing.

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SECTION 2 Adoption

Bylaw amendments shall be adopted at such Annual or Special membership meeting upon receiving at least two-thirds (2/3) of the votes entitled to be cast by the members present or represented by proxy at such meeting.

Article VII Property Jurisdiction

SECTION 1 Property

No lot or real estate leased from the Association may be divided into smaller tracts for the purpose of sale by the lessee-custodian unless there is prior approval by a two-thirds (2/3) vote of the Board of Directors.

SECTION 2 Property Leaseholds

No person, and/or husband-wife combination, or other entity shall hold a lease to more than four (4) lots at any given time.

SECTION 3 Sale of Lots Not Directly on Sunset Lake

Property owned by Sunset Lake Association which is not bordering the lake cannot be transferred without prior approval of a majority of membership voting in favor of said transfer at an Annual or Special Called Meeting. *(Passed 2018)*

SECTION 4 New Leases

No additional real estate may be incorporated into Sunset Lake Association for the purpose of generating new leases without being voted on and accepted by two-thirds (2/3) of the votes cast by the members present or represented by proxy at the Annual or a Special meeting.

SECTION 5 Consolidation of Lots

No member may consolidate two (2) or more lots for the purpose of reducing the assessments.

Article VIII Attorney Fees

SECTION 1 Association as Defendant

Should any member, or resident of such members' household unsuccessfully sue Sunset Lake Association, its members, officers, directors, agents or servants, whether for:

- action taken,
- claimed inaction,
- counter claim, and/or
- legal right violated under
 - the Bylaws or Rules & Regulations regularly adopted and in force, or
 - resolutions adopted, or

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- regular or special assessments voted at any regular or special meeting of the Board of Directors or Membership meetings, or
- any action or inaction or sponsored activity,

said member or resident shall be assessed the attorney's actual charges for investigating and defending such claims or suit, as costs by the Court, upon proof that such charges are based upon such attorney's charges for similar work for other clients, and are found to be reasonable by the court.

SECTION 2 Association as Plaintiff

Should the Sunset Lake Association undertake legal action against a member or resident of such member's household to enforce any of the Bylaws or Rules and Regulations, the member shall pay all costs incurred by the Sunset Lake Association, including attorney's fees.