

KAY'S BAYVIEW SUBDIVISION IMPROVEMENT ASSOCIATION

BY-LAWS

as AMENDED NOVEMBER 29, 2023

With proposed amendments

ARTICLE I - NAME

Section 1: The name of the organization shall be the KAY'S BAYVIEW SUBDIVISION IMPROVEMENT ASSOCIATION, a Michigan non-profit corporation (the "Association").

ARTICLE II - PURPOSE

Section 1: The purpose of the Association is to promote and protect the public health, welfare, safety, and the value of real property in KAY' S BAYVIEW SUBDIVISION, KAY'S BAYVIEW SUBDIVISION #1, and ABBOTT SUB, LOTS 6 and 7, St. Clair Shores, Michigan (collectively, "Bayview Drive"); to promote social welfare by promoting the common good and general welfare of the people of the community; to engage in any program of activity which may from time to time be deemed beneficial to the Association; to buy and sell real estate necessary to carry out the purposes of this Association; to hold in trust, for the benefit of all lot owners in Bayview Drive, any legal documents, deeds, etc., which may be entrusted to its care.

ARTICLE III -MEMBERSHIP

Section 1: Membership in the association shall be mandatory. Such membership is limited to those persons owning a recorded fee simple interest or recorded land contract vendee's interest in property/real estate located in Bayview Drive (each, a "Member" and collectively with all Members, the "General Membership"). In the case of a land contract vendee, such ownership in the property shall take precedence over the fee title holder and the land contract vendee is deemed the member.

Section 2: Voting privilege. The voting privilege shall extend only to Members in good standing in the Association. Each residence as constructed on one or two lots as originally subdivided shall be entitled to one voting Member. If two or more persons are joint owners of such real property, such joint owners shall be only entitled to one vote, although the other Members shall be entitled to other privileges of membership.

Section 3: Suspension. Any Member whose dues (maintenance fees) and special assessments are unpaid after September 30 of each year, shall be deemed delinquent and ineligible to vote, shall lose access to the Lakefront Park, 22707 Bayview Dr., St. Clair Shores, MI (the "Park") and shall be automatically suspended. The Member, however, may contest such suspension by requesting a hearing before the Board of Directors (the "Board") and providing all supporting documentation at least ten (10) days prior to any Board meeting, at which time the Board shall issue its final decision regarding suspension.

Section 4: Lien/ Encumbrance Upon Real Estate. The required dues/maintenance fees and special assessment shall become a lien and encumbrance upon the property or lot(s) of a Member/lot owner, who has not paid such dues or assessments in full within one (1) year of due date of same (the "Lien Date"). Such lien will be recorded as against the real estate and shall bear interest on the unpaid account in the amount of six (6 %) percent per annum, compounded annually, beginning on the Lien Date.

Section 5: Reinstatement. Any Member who shall be suspended from membership may be reinstated by proper payment of all delinquent dues/maintenance fees and special assessments, including interest and the cost of any filing fees with the Register of Deeds for placing of a lien, discharge of lien, and any other documented costs of preparing and recording the lien, including attorney's fees.

ARTICLE IV - RULES OF ORDER

Section 1: Robert's Rules of Order shall govern the conduct of all meetings of the Association and its Board

ARTICLE V - FINANCES

Section 1: Financial support of this Association shall be primarily by means of annual dues and special assessments as established by the members from time to time as follows:

- (a) Annual dues: the payment of annual dues per calendar year per voting Member (household) made payable to the Association upon presentment of invoices. Dues shall be set at One Hundred Fifty and 00/100 Dollars (\$150.00) in 2025 and may be increased by majority vote of the General Membership by up to twenty percent (20%) per year.
- (b) Special assessments: such assessments as may be established by majority vote of the General Membership from time to time, payable to the Association.

All such dues and special assessments shall be due and payable to the Association at or before the Fall meeting each year, unless the General Membership, by majority vote, determines a different due date for special assessments.

Section 2: A General Fund for annual budgeted items and a Capital Improvement Fund which shall be the Association's reserve fund for major repairs and replacement of common elements are hereby created. The Capital Improvement Fund balance shall, at a minimum, shall be equal to ten percent (10%) of the association's current annual budget on a noncumulative basis (the "Minimum Balance"). The Association should carefully analyze any project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes.

Unless otherwise determined by a majority vote of the General Membership, annual dues and annually budgeted expenses shall be deposited in and withdrawn from the General Fund. The Association may allocate up to twenty percent (20%) of its annual budget to the Capital Improvement Fund, to be used for capital improvements or property maintenance projects, by majority vote of the General Membership.

- (a) Special assessments shall be deposited in and approved special assessment expenses withdrawn from the Capital Improvement Fund. Additionally, in order to reduce special assessments, the Association shall allocate an amount necessary to ensure the Capital Fund carries the Minimum Balance. The Association may allocate up to twenty percent (20%) of its annual budget to the Capital Improvement Fund, to be used for capital improvements or property maintenance projects, by majority vote of the General Membership.
- (b) Donations and bequests may be directed to either the General Fund or Capital Improvement Fund.

Section 3: Single item expenditures over Five Hundred (\$500.00) Dollars not approved as part of the annual budget shall require the majority approval of the General Membership.

ARTICLE VI - MEETINGS

Section 1: Powers not otherwise delegated in these Bylaws shall be held by the General Membership. Meetings of the General Membership shall be held semi-annually every Spring and Fall.

- (a) Notice. The General Membership shall be notified of both regular and special meetings by written notice sent to the Member's Bayview Drive address by United States Mail or, if a Member elects, by email, at least ten (10) days prior to such meetings; except that in the case of an amendment to these Bylaws or the Articles of Incorporation or the sale, lease, transfer, or conveyance of any kind of any part of the Association's real property the written notice shall be sent at least thirty (30) days prior to the meeting at which said amendment or conveyance shall be considered, and the notice shall specify the portion(s) of the Bylaws or Articles of Incorporation proposed to be amended or the conveyance of real property proposed for consideration.
- (b) Electronic meetings. The General Membership may meet by electronic means, if the Board approves such an electronic meeting by a 2/3 vote, and notice in writing is given not less than ten (10) days in advance of the meeting, or thirty (30) days for an amendment to these Bylaws or the Articles of Incorporation, so long as all members shall have the ability to discuss and vote on all business items. Members have the responsibility to obtain the technology specified in the notice to the meeting. Standing rules for the electronic meeting, including but not limited to the method to be used for gaining the floor and the procedure for submitting a motion in writing, shall be decided by the General Membership at or prior to the electronic meeting.
- (c) Proxy voting. Voting by proxy shall be allowed by submission of a signed and dated writing (the "Proxy Form") to the Secretary of the Board or the Secretary's designee at least seventy-two (72) hours prior to any scheduled General Membership meeting. The Proxy Form may not include any restrictions on the proxy's voting power, as such restrictions would be difficult to enforce. The Proxy Form shall expire when revoked, or must state a date of expiration. A Proxy Form may be revoked at any time, regardless of whether the Proxy Form states a later date of expiration. Only a Member in good standing of the Association may be designated as a proxy in a Proxy Form.

Section 2: At the first meeting of a newly elected Board, the Board will select days and times for regular meetings. The Board has the right to cancel any such meetings if there is no business to be conducted by the Board, but may not meet less than quarterly. The Board, or any committees, may meet by electronic means, or may permit participation by electronic means at an otherwise in-person meeting, so long as all directors or committee members shall have the ability to discuss and vote on all business items. Directors and committee members have the responsibility to obtain the technology specified in the call to the Board or committee meeting.

Section 3: Special meetings of the General Membership:

- (a) May be called by the President upon his/her own initiative;
- (b) May be called upon the request of a number of voting Members (households) equal to ten (10 %) percent of the number of voting Members (household) who are then in good standing;

Section 4: Special meetings of the Board:

- (a) May be called by the President;
- (b) Shall be called upon the request of the majority of the Board.

Section 5: Quorums for the proper convening of the meetings shall be:

- (a) For General Membership meetings, a number equal to fifteen (15%) percent of the number of voting Members (households) who are then in good standing; proxies shall not be counted in determining a quorum;
- (b) For the Board, a majority of the Directors then serving.

ARTICLE VII - ELECTIONS

Section 1: The election of Directors for the Association shall be held at the regular Spring meeting of the General Membership.

Section 2: At least four weeks prior to the designated election meeting (regular annual Spring meeting), the Board shall review candidates for the Board of Directors to ensure that the nominees are Members in good standing eligible for election to the Board under these Bylaws. The nominees shall be presented to the Board by written nomination at least two (2) weeks prior to the election meeting, at which time the Board shall verify that the nominees are eligible for election.

- (a) At said Spring meeting, ample opportunity shall be provided for additional nominations from the floor; provided, however, that the Treasurer or Treasurer's designee shall verify that the nominee is a Member in good standing and otherwise eligible for election;
- (b) Notice of the election shall be given with the regular notice of the meeting, together with names of approved nominees;
- (d) The election shall be by secret ballot. On the first ballot, Members shall cast votes for no more than the number of Directors needed, and candidates receiving a majority of votes cast shall be elected. If open seats remain following the first ballot, a second ballot shall be cast. On the second ballot, Members shall cast votes for no more than the number of Directors needed, and the candidates with the highest vote totals shall be elected.

Section 3: At each election, four new Directors shall be elected to replace four (4) retiring Directors for a period of two (2) years.

Section 4: A retiring Director is eligible for nomination and may be elected to an immediate additional term.

Section 5: Two Members from the same household may not concurrently serve on the Board.

ARTICLE VIII - BOARD OF DIRECTORS

Section 1: The duly elected Board shall, within one (1) month after the election, convene and elect from within the Board the following Directors and committee members for a period of one (1) year:

President	Regulations Officer
Vice President	Public Relations Officer
Secretary	Maintenance Committee (3 members)
Treasurer	Social Committee (2 members)
Webmaster	

Section 2: The business, property and affairs of this Association shall be managed by the elected Board composed of twelve (12) Members of this Association.

Section 3: All currently serving Directors shall be eligible to vote on any matter at all meetings of the Board

Section 4: Any action by the Board pursuant to these Bylaws shall be deemed a valid corporate action.

Section 5: Removal of Officers. Any Director may be removed by the Board whenever, in the judgment of the Board, the interests of the Association will be served thereby.

Section 6: Power to Fill Vacancies. The Board shall have power to fill any vacancy on the Board occurring from any reason whatsoever.

Section 7: Power to Appoint Committees. The Board shall have the power to appoint any special committees for a specific purpose.

Section 8: Power to Require Bonds. The Board shall have the power to require a Director to file with the Association any bonds required for the business of the Association.

Section 9: Power to Create Rules for the Lakefront Park. The Board shall have the power to create and amend rules for the use of the Lakefront Park.

Section 10: Power and Duty to Conduct Annual Financial Review. The Board shall have the power and duty to cause an annual review to be conducted of its records and finances. The review shall be conducted by an individual with experience in financial management, accounting, or bookkeeping who is not a Member of the Association or a Member's spouse, child, grandchild, parent, grandparent, or sibling. The review shall be delivered in writing and shall be presented to the Association at the Fall Meeting.

Section 11: Power to Execute Bylaws and Orders of the Association; Incidental Powers. The

Board shall have the power to execute these Bylaws and Orders of the Association, including without limitation the power to execute the approved expenses of the annual budget, the power to collect dues and special assessments, the power to place and discharge liens and collect the associated fees, the power to designate authorized signers of contracts, checks, and other instruments, the power to file corporate or legally necessary documents on behalf of the Association, the power to grant and withhold access to the Lakefront Park in accordance with these Bylaws, the power to manage the Association's website and social media presence, and the power to determine eligibility for Membership and eligibility for the Board. The Board shall have the power to engage legal counsel on behalf of the Association. The Board shall also hold all incidental powers necessary to carry out its functions under these Bylaws.

ARTICLE IX - DUTIES of DIRECTORS

Section 1: President. The President shall be the Chief Executive Officer of the Association and shall have all powers and duties prescribed in Robert's Rules of Order and these Bylaws. He or she shall preside over all meetings of the Board and General Membership and shall see that their orders are carried into effect. He or she shall oversee all Directors and committees to see that they are functioning properly. He or she shall call all Board and General Membership meetings pursuant to the authority of these Bylaws. He or she shall establish the order of business at all Association meetings.

Section 2. Vice President. The Vice President shall have all powers and duties prescribed in Robert's Rules of Order and these Bylaws, and performs the duties of the President at meetings in the absence of the President. He or she assumes the office of President if said office is vacated before the President's term expires.

Section 3: Secretary. The Secretary shall have all powers and duties prescribed in Robert's Rules of Order and these Bylaws, and shall record the true minutes of the proceedings in all Board and Association meetings. He or she shall send and receive correspondence and file all legal documents for the Association. He or she shall act as the Association's Resident Agent and maintain the Association Registered Office. He or she shall prepare and distribute to the General Membership all meeting notices. The minutes of the Association and other records shall be kept at the Secretary's residence and shall be stored electronically in a method that provides access to the Board. In case of resignation, retirement, or death, all books, papers, vouchers, money and property of whatever kind in his or her possession or under his or her control and belonging to the Association shall be returned to the Board within thirty (30) days.

Section 4: Treasurer. The Treasurer shall have all powers and duties prescribed in Robert's Rules of Order and these Bylaws. He or she shall have custody of all Association funds and keep accurate records of all receipts and disbursements in the Association books. He or she shall maintain necessary bank accounts in the name of the Association. He or she shall disburse funds as directed by the Board. He or she shall issue all dues and special assessment notices (invoices) and collect all dues and special assessments. Statements of dues and special assessments shall include any past due monies. He or she shall report all financial transactions to the Board. He or she shall present a draft budget to the Board at least four (4) weeks prior to the Fall meeting for recommendation to the Association. If required by the Board, the Treasurer shall deliver to the President of the Association, and shall keep in force a bond in form, amount and with sureties satisfactory to the Board at the expense of the Association. In case of resignation, retirement, or death, all books, papers, vouchers, money and property of whatever kind in his or her possession or under his or her control and

belonging to the Association shall be returned to the Board within thirty (30) days. The records of the Treasurer shall be kept at the Treasurer's residence.

Section 5: Regulations Officer. The Regulations Officer shall enforce all recorded deed restrictions, park rules, and such other rules as the Association may from time to time approve, upon Bayview Drive.

Section 6: Public Relations Officer. The Public Relations Officer shall keep a current list of all residents and property owners in the Association. He or she shall welcome new residents and inform them of the Association, provide them with a copy of these Bylaws, deed restrictions, and the Association's Articles of Incorporation. He or she shall present them with a list of park rules, and a list of the Association Directors. He or she shall take primary responsibility for social events and serve as Chair of the Social Committee. He or she shall inform the Association of social events and shall, along with the Social Committee, provide for the creation and distribution of a newsletter not less than quarterly, with newsletter content subject to the final approval of the Board.

Section 7: Maintenance Committee. The Maintenance Committee shall consist of two (2) Directors and shall be responsible for the following areas of maintenance, as well as any others deemed appropriate by the Board:

- (1) Lakefront Park and related equipment maintenance
- (2) Beach and swimming area maintenance
- (3) Jefferson Island maintenance

In addition to the above duties, the members of the Maintenance Committee shall elect a chairperson who will be responsible for the proper execution of the aforementioned duties and will report the actions of the committee at Association meetings.

Section 8: Social Committee. The Social Committee shall consist of two (2) Directors and the Public Relations Officer, who shall serve as Chair, and shall be responsible for at least two annual social events. They shall also report the actions of the Social Committee at all Association meetings. Additionally, the Social Committee shall provide for the creation and distribution of a newsletter not less than quarterly, with newsletter content subject to the final approval of the Board.

Section 9: Webmaster. The Webmaster shall have primary responsibility for the Association's internet and social media presence, including oversight of all necessary internet service contracts, and responsibility for the Association's email address, subject to the final approval of the Board. The Webmaster shall ensure that the President of the Association has an updated list of passwords and codes for the Association's email, website, and social media presence.

ARTICLE X - EXECUTION of INSTRUMENTS

All checks, drafts and orders for payment of money shall be signed in the name of the Association. Checks over \$1000 must be signed by the Treasurer and either the President or Vice President.

ARTICLE XI - REAL PROPERTY

Section 1: Transfer of Ownership. Any proposed sale, lease, transfer, or conveyance of any kind of any part of the Association's real property must be approved by a two-thirds (2/3) vote at a General Membership meeting of the Association and must be noticed as provided in these Bylaws.

ARTICLE XII - AMENDMENTS

Section 1: These Bylaws may not be suspended and may only be amended, altered, changed, added to or repealed by a two-thirds (2/3) vote at a regular meeting or special meeting and notice must be given as provided in these Bylaws.