

LEISURE LAKE

PROPERTY OWNER'S ASSOCIATION

BY-LAWS

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ARTICLE I – NAME AND ORGANIZATION

Section 1. NAME

The name of this organization is Leisure Lake Property Owner's Association.

Section 2. ORGANIZATION

This Association is a Corporation, incorporated under the provisions of Chapter 504 of the Code of Iowa, and is now governed by the provisions of Chapter 504A of the Code of Iowa.

ARTICLE II-OBJECTIVES

- A. To establish and implement standards and to improve facilities and recreational areas of Leisure Lake, and including the ability to legally enforce these standards.
- B. To maintain and improve existing roadways.
- C. To encourage the social atmosphere within the community surrounding Leisure Lake.

ARTICLE III--MEMBERSHIP

Section 1. ELIGIBILITY

All property owners, including co-owners, of property within the boundaries of Leisure Lake Property Owner's Association, (hereinafter, "LLPOA") shall become members in good standing of LLPOA upon payment of annual dues, special assessments, assessments and any other amounts due and owing LLPOA. Special assessment(s) is defined in Article IV, Section 2, Paragraph A.

Section 2. DEFINITION—MEMBERSHIP

Each person owning an interest in real estate within the boundaries of Leisure Lake Property Owner's Association becomes a member and gains membership in LLPOA. Member/Membership is defined to cover immediate family members only, spouse/partner and children under 18. One vote is allowed per membership. Ownership of multiple lots does not increase number of votes.

Section 3. PRIVILEGES OF MEMBERSHIP

Privileges include limited use of all common recreational areas, participation in social activities, as well as the right to vote in LLPOA elections and issues affecting LLPOA. Privileges may be revoked by the Board for:

- A. Violations of criminal laws upon property within LLPOA boundaries or owned by LLPOA.

- B. Non-payment of dues, special assessments, and assessments.
- C. Violation of Rules and Regulations.

Section 4. RULES & REGULATIONS

- A. All members must abide by the Rules & Regulations of LLPOA.
- B. The Executive Board shall be authorized to enforce reasonable Rules and Regulations.
- C. LLPOA, through its members, shall make such Rules and Regulations as it deems to be in the best interest of LLPOA. The Rules and Regulations may be, amended, modified or repealed by the vote of a simple majority of the eligible members voting. Such Rules and Regulations, as amended, shall be binding upon all members, guests, and agents of members. An amendment to the Rules and Regulations shall be valid and enforceable upon adoption without recording same with the Jackson County Recorder.

Section 5. ENFORCEMENT

- A. The voting or other membership rights of any member may be suspended by action of the Executive Board for violations of the By-Laws or the Rules and Regulations governing the use of LLPOA property after hearing before the Board, at which the member or any other interested person may be represented by an attorney if he or she, any member of his or her family, or the guest of any of them have violated such By-Laws or Rules and Regulations.
- B. If, after thirty (30) days from the receipt of a written notice from LLPOA, any member continues to violate the By-Laws or the Rules and Regulations, the Executive Board shall be authorized to take any steps necessary to remedy the violation. The cost of which shall be assessed against the lot or lots owned by the violating member. The member shall be personally liable for the payment of any such costs, and such costs shall become a lien against the lot or lots owned by the member upon which LLPOA may foreclose should the member fail to pay amounts due plus interest. If the Association takes legal action against a member, all suits shall be brought in Jackson County, Iowa.

Section 6. CHANGE IN MEMBERSHIP

- A. When a member sells property, all dues, special assessments, assessments, and all other amounts due and owing to LLPOA must be paid in full by either the seller or buyers. Any special assessments, assessments, and all other amounts due and owing to LLPOA which remain unpaid as of the date of sale, shall constitute a lien upon the property. Both buyer and seller shall be jointly and severally liable for payment of such dues, special assessments, assessments, and all other amounts due and owing to LLPOA.
- B. Seller must notify LLPOA of the sale, with name and address of buyer, within seven (7) days of the transfer of the property.
- C. New property owners are to register with the Treasurer of LLPOA within thirty (30) days of the date they receive ownership of the real estate.
- D. If a member sells their property on a “land contract”, until the contract has been fully satisfied and the property is recorded in the new owners’ name, the selling property owner and the buyer shall be jointly and severally responsible for the payment of all dues, special

assessments and assessments. The buyer shall have no vote unless a copy of the land contract is provided to the Treasurer; in that event, the Seller shall have no vote.

Section 7. ADDRESS CHANGE

All members are to notify the Treasurer of an address change within thirty (30) days of the date of their billing address change.

Section 8. LAND USE

- A. Anyone wishing to take any action, whether through proposed rezoning or otherwise, which may potentially infringe upon the rights of other LLPOA members, must submit a petition requesting LLPOA approval of the proposed use, along with a detailed plan, in writing, to the Executive Board at least thirty (30) days prior to the next regular or special board meeting. A public hearing will be held upon the issue at the next board meeting.
- B. Petitioner shall be informed by mail of the Board’s decision.
- C. Property owners must abide by Jackson County zoning laws.
- D. Property owners shall not rent their property located within the boundaries of LLPOA. Without providing a copy of a written Land Contract to the Treasurer of LLPOA, the member will be considered renting and will be subject to a penalty of \$250.00 per month.

Section 9. NON-MEMBER RESIDENTS/GUESTS

When a child or any other family member becomes 18 and does not own property within LLPOA boundaries, they are no longer a member or included in any membership. If your child or family member is 18 or over, does not own property but wants to permanently reside in separate housing on property owned by any member; construct a structure for seasonal use on property owned by a member; or bring in a mobile home or camper/motorhome for seasonal use on property owned by a member; they must also pay dues, special assessments, assessments and follow all county ordinances including, but not limited to, site size and waste disposal system requirements. As they do not own real estate within LLPOA boundaries, they will have no vote and property owner is responsible for their actions.

ARTICLE IV—DUES AND SPECIAL ASSESSMENTS

Section 1. PAYMENT

Membership dues, special assessments, assessments and penalties will become due and payable on September 1st of each year for the following year, and are in default on the 1st day of January of the year for which they are due and owing. At which time a penalty of \$10.00 per month shall be added to the amount due, unless alternate arrangements for payments are made pursuant to LLPOA Rules & Regulations. Dues shall be paid by mailing to LLPOA, P.O. Box 8, Bernard, IA 52032.

Section 2. SPECIAL ASSESSMENTS.

- A. Special assessment(s) is defined as an assessment for a specific amount and specific time period for necessary expenses voted on by the membership and charged/billed to all members

of LLPOA. Assessment is defined as an assessment for a specific amount charged/billed to a member for violation of the By-Laws and/or Rules and Regulations.

- B. Special assessments may be made by the Executive Board should the Executive Board deem a special assessment to be necessary for the payment of expenses incurred in the course of carrying out LLPOA business.
- C. When special assessments are required by the Executive Board, they are payable as per Article IV, Section 1.

Section 3. NON-PAYMENT OF DUES

Member with unpaid dues, assessments, special assessments, and/or penalties on January 1 following the billing year will have all LLPOA privileges suspended until such time as the dues, assessments, special assessments, and/or penalties are paid in full. LLPOA may take any action allowed by law to enforce the provisions of this Article including legal action. Membership privileges are restored when full payment of unpaid dues, assessments, special assessments, and/or penalties is received by the LLPOA Treasurer.

ARTICLE V—MEETINGS, VOTING AND RULES OF ORDER

Section 1. REGULAR MEMBERSHIP MEETINGS

The two (2) regular Membership Meetings of LLPOA shall be held at 1:00 p.m. at the Pear Street Complex on 1) the Sunday before Memorial Day weekend to transact such business as may properly come before the meeting; and 2) the Sunday after Labor Day weekend to elect Executive Officers and Precinct Directors and to transact such business as may properly come before the meeting.

Section 2. SPECIAL MEMBERSHIP MEETING

Fifty (50) members in good standing must sign a petition, which shall be submitted to any member of the Executive Board, in order to call a Special Membership Meeting. Thirty (30) days written notice of a Special Membership Meeting must be provided to all members in good standing by the Executive Board with a proposed agenda attached to the notice.

Section 3. PRECINCT MEETINGS

Four (4) times per year, each Precinct Director shall hold a meeting for all members of their precinct.

Section 4. REGULAR EXECUTIVE MEETINGS

Regular Executive board meeting shall be held at least five (5) times a year. Except as set forth below, all regular or special Executive Board meetings will be open to the membership. The Executive Board may hold a closed meeting only on affirmation vote of a simple majority of all board members present to discuss only litigation strategy, items that fall under attorney-client privilege or current law enforcement investigations.

Section 5. SPECIAL EXECUTIVE BOARD MEETING

The President shall have the right to call a Special Executive Board Meeting as necessary. Any combination of four (4) members of the Executive Board shall have the right as a group to request the President to call a Special Executive Board Meeting.

Section 6. ATTENDANCE

Any Executive Officer or Precinct Director missing three (3) consecutive Board Meetings without proper notification to an Executive Board Member shall be considered to have vacated his/her office and will be replaced in accordance with Article VIII, Section 4.

Section 7. VOTING

Only members in good standing as defined in Article III, Sections 1 & 2 are eligible to vote at Regular and Special Membership Meetings and at Precinct Meetings.

Section 8. RULES OF ORDER

All meetings will be conducted using Robert’s Rules of Order.

ARTICLE VI—ELECTIONS, QUALIFICATIONS AND ELECTION PROCEDURES

Section 1. ELECTIONS

- A. A term of office for the President, Vice President, Secretary, Treasurer and eight (8) Precinct Directors will be two (2) years.
- B. All Members of the Executive Board are elected for a two-year term in the following manner: The President, Treasurer and Precinct Directors 1, 3, 5 and 7 are elected in odd-numbered years. The Vice President, Secretary and Precinct Directors 2, 4, 6 and 8 are elected in even-numbered years.
- C. If there are no nominations for an office, the Board shall make an appointment to fill the vacancy.
- D. All eight (8) Precinct Directors, when elected or appointed, must own property in the precinct they represent.

Section 2. QUALIFICATIONS

- A. Any Executive Board Member who is found by the Executive Board not to be a member in good standing will be disqualified from holding office. However, he or she will be notified by mail. The Board Member will have thirty (30) days to respond to the Executive Board to answer the allegations or remedy the violation prior to disqualification.
- B. All nominees for any position must be members in good standing.
- C. Spouses, immediate family members and persons living in the same household may not hold elected office at the same time. Immediate family is defined as spouse/partner, children, step-children, siblings or parents.
- D. All nominees for any precinct position must own property in the precinct they represent.

Section 3. ELECTION PROCEDURE

- A. Each precinct shall meet prior to the July Executive Board Meeting to nominate candidates for the Executive Offices and Precinct Directors. All nominees for Executive Officers and Precinct Directors shall have their names submitted to the Board of Directors at the July meeting.
- B. A list of qualified nominees shall be prepared and posted by the Executive Board prior to the Sunday after Labor Day Regular Membership Meeting.
- C. Nominations shall be accepted from the floor at the regular Membership Meeting held on the Sunday after Labor Day. The nominated member must accept or decline the nomination. If the nominated member is not present at the Regular Membership Meeting at which he or she is nominated, he or she must provide a written and signed acceptance of the nomination to the Executive Board prior to the meeting at which the nomination is made.
- D. Voting will be by secret ballot. A simple majority of the voting members in good standing from each precinct will elect their Precinct Director. A simple majority of the voting members in good standing shall elect the Executive Officers. In the event of a tie vote for any office, a new election will be held immediately. If more than two nominees are on the ballot; one person must receive a majority of the votes cast to be declared the winner. In the event that no person receives a majority, the person receiving the fewest votes shall be removed from the ballot and a new vote shall be held.
- E. The elected Executive Officers and Precinct Directors shall take office at the next Regular Executive Board Meeting. All incumbent Executive Officers and Precinct Directors shall turn over all records and LLPOA property to their successors.

ARTICLE VII—BY-LAWS

Section 1. PROCEDURE

- A. Any proposed amendment to the By-Laws or Rules and Regulations shall be presented in writing at any Membership Meeting, Regular or Special Executive Board Meeting, at which time it shall be read and recorded in the minutes by the Secretary.
- B. The proposed amendment will then be referred to the By-Laws committee for research and development and then referred to the Corporate Attorney.

Section 2. PASSAGE

- A. The proposed amendment shall be communicated to the membership thirty (30) days prior to a Regular Membership Meeting for a vote by the membership in good standing. Board recommendations for or against each amendment may be made at this time. A simple majority of the members voting shall be required to pass a proposed amendment.
- B. If passed, the new By-Law or Rules and Regulations is effective immediately.

Section 3. VETO

- A. The Executive Board shall have the power to rescind action taken at any Regular or Special Membership Meeting only if such action represents a legal liability to LLPOA or a violation of any law code of ordinance of Jackson County, the State of Iowa or the United States.
- B. Notice and a legal explanation for any such rescission will be mailed to all members within sixty (60) days.
- C. If a petition requesting a Special Membership Meeting to address the issue is received by the Board, a Special Membership Meeting shall be called in accordance with Article V, Section 2.

ARTICLE VIII—GOVERNANCE

Section 1. AUTHORITY

The Executive Board shall have complete authority to govern in accordance with LLPOA’s Articles of Incorporation, the By-Laws and Rules and Regulations.

Section 2. QUORUM

A quorum at an Executive Board Meeting will exist when two (2) Officers and five (5) Precinct Directors, or three (3) Officers and four (4) Precinct Directors are present.

Section 3. MOTIONS

A motion shall be approved by the simple majority of the eligible members voting.

Section 4. VACANCIES

The President, subject to the approval of the Board of Directors, shall appoint a member in good standing to complete any unexpired term of office when any Officer or Precinct Director leaves office for any reason prior to the expiration of his/her term.

ARTICLE IX—COMMITTEES

Section 1. STANDING COMMITTEES

The President, subject to the approval of the Board of Directors shall appoint or dismiss Committee Director and Chairperson for the following Committees:

BEACHES, BUDGET AND FINANCE, BY-LAWS, ENTERTAINMENT, FIREWORKS,
FISH, HISTORIAN, LAKE MANAGEMENT, ROADS, SANITATIONS & ZONING,
SECURITY

Each Committee Director and Chairperson will be given the Standard Operating Procedures.

Section 2. SPECIAL COMMITTEES

The President, subject to the approval of the Board of Directors, may appoint any Special Committee deemed necessary.

ARTICLE X—ACCOUNTING AND BUDGET

Section 1. FINANCIAL RECORDS

- A. The financial records must be reviewed by a qualified accountant each month.
- B. The Treasurer's duties connected with this Article shall be as follows:
 - 1. He/she shall prepare a monthly accounting, to be presented to the accountant.
 - 2. The accountant's annual report shall be presented to the Executive Board at the next available Board Meeting.
 - 3. All unspent budgeted money at the end of the fiscal year shall be put into the Emergency Fund to maintain a \$15,000.00 balance. Any excess shall be allocated by the Board of Directors at the October Board meeting.
- C. The financial accounting shall be presented twice a year, at the Regular Membership Meetings, which shall include records from September through April and May through August.

Section 2. BUDGET

The budget shall be presented for approval at the Regular Membership Meeting on Sunday after Labor Day weekend.

ARTICLE XI-LIMITATIONS OF LIABILITY

The Executive Board of LLPOA shall not be personally liable for LLPOA's debts nor obligations. The Executive Board and volunteers of this Corporation shall not be personally liable in that capacity for any claim based upon an act or omission performed in the discharge of duties as a Board Member or volunteer except for: 1) liability for a breach of duty of loyalty to the Corporation, 2) liability for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, or 3) liability for a transaction from which the person derives an improper benefit.

LLPOA shall indemnify any present or former Executive Board Member or volunteer of this Corporation to the fullest extent possible for expenses, including attorney's fees, judgment penalties, fines, settlement, and reasonable expenses, actually incurred by such person relating to his or her conduct as a Board Member or volunteer of this Corporation except that the mandatory indemnification required by this provision shall not apply: 1) to a breach of the duty of loyalty to the Corporation, 2) for acts or omissions not in good faith or which involved intentional misconduct or knowing violation of the law, and 3) for a transaction from which such person derived an improper personal benefit.