

Pine Lake Hills

Home Owners

Association

Covenants and By-Laws

BY-LAWS OF THE PINE LAKE HILLS HOME OWNERS ASSOCIATION
(with revisions)

ARTICLE I.

DEFINITIONS

Section 1. "Association" shall mean and refer to the Pine Lake Hills Home Owners Association, a non-profit corporation organized and existing under the laws of the State of South Dakota.

Section 2. "Pine Lake Hills" shall mean and refer to all such existing properties and additions thereto as are subject to the Declaration of Covenants, Conditions and Restrictions to Run With the Land ("Declaration"), dated April 8, 1976, by Richard J Donnelly, the Owner-Developer ("Owner-Developer"), or any supplemental Declaration under the provisions of Article IX of said Declaration, all to be encompassed within legal premises described as Pine Lake Hill, an addition in the S½ of the NE¼ of Section 18, T10N, R48W, Minnehaha County, South Dakota.

Section 3. "Common Properties" shall mean and refer to Tracts 1, 2, 3 and 4 of the Pine Lake Hills Addition to be devoted to the common benefit and enjoyment of the residents within Pine Lake Hills.

Section 4. "Developer" shall mean and refer to Gateway, Inc., a South Dakota corporation.

ARTICLE II.

LOCATION

Section 1. The principal office of the Association shall be located at 7101 Pine Lake Drive, Sioux Falls, South Dakota. (Revised 2/79)

ARTICLE III.

MEMBERSHIP

Section 1. Membership in the Association shall be governed by the provisions of Article III of the Declaration covering Pine Lake Hills.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of and becomes a lien against the property on which such assessments are made, as provided by Article VI of the Declaration to which Pine Lake Hills is subject, recorded in the Office of the Register of Deeds in and for Minnehaha County, South Dakota, which Article is hereby incorporated herein by reference, the same as if set forth in full and in detail herein.

Section 3. The Membership rights of any person whose interest in Pine Lake Hills is subject to assessments under Article VI, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Directors during the period when the assessments remain unpaid, but upon payment of such assessments his rights and privileges shall be automatically restored. If the Directors or Mem

RESOLUTION

WHEREAS, it appears to be for the benefit and protection of the Pine Lake Hills Home Owners Association to spend money from Association assessments in conjunction with the township to improve the section line road immediately east of Pine Lake Hills Addition;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY PINE LAKE HILLS HOME OWNERS ASSOCIATION that the Board Of Directors are authorized to expend up to \$9,000.00 from the general assessment funds for the purpose of joining with the township to hard surface and/or improve the section line road immediately east of Pine Lake Hills Addition.

Adopted this 6th day of June, 1981, at an open meeting of Pine Lake Hills Home Owners Association.

PINE LAKE HILLS HOME OWNERS
ASSOCIATION

By: 
President

ATTEST:

Secretary

bers have adopted and published rules and regulations governing the use of the Common Properties, and the personal conduct of any person thereon, as provided in Article V they may, in their discretion, suspend the rights of any person violating such rules and regulations for a period not to exceed thirty (30) days and impose a fine not to exceed Five Dollars (\$5.00) for each infraction of its published rules and regulations.

ARTICLE IV.

VOTING RIGHTS

Section 1. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Article IV with the exception of the Developer. Class A Members shall be entitled to one vote for each lot in which they hold the interest required for Membership by Article IV. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Developer shall be the sole Class B Member. The Class B Member shall be entitled to three votes for each Lot in which it holds the interest required for Membership by Article IV. The Class B Membership shall cease and terminate upon the happening of either of the following events, whichever first occurs:

- (a) When the total votes outstanding in the Class A Membership equals or exceeds the total votes outstanding in Class B Membership; or
- (b) On December 31, 1985.

From and after the happening of either of these events, whichever first occurs, the Class B Member shall be deemed to be a Class A Member entitled to one vote for each Lot or Living Unit (as provided for Class A Members) in which it holds the interests required for Membership under Article IV.

ARTICLE V.

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTIES

Section 1. Each member shall be entitled to the use and enjoyment of the Common Properties as provided by Article V of the Declaration applicable to Pine Lake Hills.

Section 2. Any member may delegate his rights of enjoyment in the Common Properties to the members of his family who reside in Pine Lake Hills or to any of his tenants who reside thereon under a leasehold interest for a term of one year or more. Such member shall notify the Secretary in writing of the name of any such person, and of the relationship of the member to such person. The rights and privileges of such person are subject to suspension under Article V to the same extent of those of the member.

ARTICLE VI.

ASSOCIATION PURPOSES AND POWERS

Section 1. The Association has been organized for the following purposes and is hereby vested with the following powers:

- (a) All those purposes and powers listed and enumerated in Article IV of the Articles of Incorporation of the Association, which Article is hereby made a part hereof by reference the same as if set forth in full and detail herein.
- (b) The Corporation shall have the power to mortgage its properties only to the extent authorized under the recorded Declaration applicable to said properties. The total debts of the corporation, including the principal amount of such mortgages outstanding at any time, shall not exceed the total of one (1) year's assessments current at that time, provided that authority to exceed said minimum in any particular case may be given by an affirmative vote of two-thirds (2/3's) of the votes of the Members who are voting in person or by proxy at a meeting called for this purpose, written notice of which shall be mailed to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. (Revised 5/79)
- (c) The corporation shall have the power to dispose of its real properties on] as authorized under the Declaration applicable to said properties.

Section 2. The quorum for any action governed by Section 1 (b) hereof shall be as follows:

At the first meeting duly called provided therein, the presence of Members, or of proxies, entitled to cast sixty percent (60%) of all of the votes of each class of Membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in said Articles, and the required quorum at any subsequent meeting shall be one-half ($\frac{1}{2}$) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following such preceding meeting.

ARTICLE VII.

BOARD OF DIRECTORS

Section 1. The management and affairs of this corporation shall be handled by a Board of Directors elected from the Membership as provided in Article VIII hereof. Any decisions or actions taken by the Board shall be subject to reversal or alteration by a majority vote of the Members at the regular annual meeting of the Members or at a special meeting of the members called, pursuant to Article XIII, Section 2 of these By-Laws, for that purpose. The number of Directors may be changed by amendment of these By-Laws. At the annual meeting of the Members in February of 1979, the Members shall elect Five (5) Directors, three (3) of the Directors for a term of one (1) year or until their successors are elected, and the other two (2) Directors, for term of two (2) years or until their successors are elected; and at each annual meeting thereafter the Members shall elect Directors for two (2) year terms to fill the term that will have expired at that time.

In addition to the powers and duties of the Board of Directors as set forth in Article IX of these By-Laws, each of the Directors, except the President, shall have the responsibility of serving as chairperson of one of the standing committees. The Board as a whole shall determine which committee, provided that the Director who is also Treasurer of the corporation shall always be chairperson of the Water and Street Lighting Committee. (Revised 2/79)

Section 2. Vacancies in the Board of Directors shall be filled by the majority of the remaining directors, any such appointed director to hold office until his successor is elected by the members, who may make such election at the next annual meeting of the Members or at any special meeting duly called for that purpose.

ARTICLE VIII.

ELECTION OF DIRECTORS

Section 1. Election to the Board of Directors shall be by written ballot at the annual meeting as hereinafter provided. At such meeting the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the recorded covenants applicable to Pine Lake Hills. The names receiving the largest number of votes shall be elected.

Section 2. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be appointed each year by the Board of Directors. (Revised 2/79)

Section 3. The Nominating Committee shall consist of not less than three (3) Members, all of whom must be Members of the Association, and not more than fifty per cent (50%) can be Members of the existing Board. This Committee shall be appointed by the Board at least sixty (60) days prior to the annual meeting of the Members. (Revised 2/79)

Section 4. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations shall be placed on a written ballot as provided in Section 5 of this Article and shall be made in advance of the time fixed in Section 5 for the mailing of such ballots to Members. (Revised 2/79)

Section 5. All elections to the Board of Directors shall be made on written ballot which shall:

- (a) Describe the vacancies to be filled;
- (b) Set forth the names of those nominated by the Nominating Committee for such vacancies; and
- (c) Contain a space for write-in by the Members for each vacancy.

Copies of such ballots shall be prepared and mailed by the Secretary to the members with the notice of the annual meeting as indicated in Article XIII.

Section 6. Each Member or proxy shall receive as many ballots as he has votes. Notwithstanding that a Member may be entitled to several votes, he shall exercise on any one ballot only one vote for each vacancy shown thereon. The completed ballots shall be cast as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one ballot and the members shall be advised that, because of the verification procedures of Section 7, the inclusion of more than one ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope, or envelopes (if the member or his proxy is exercising more than one vote), shall be placed in another sealed envelope which shall bear on its face the name and signature of the Member or his proxy, the number of ballots being returned and such other information as the Board of Directors may determine will serve to establish his right to cast the vote or votes presented in the ballot ^{or} of ballots contained therein.

Section 7. The external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to an Election Committee which shall consist of five (5) members appointed by the Board of Directors. The Election Committee shall then adopt a procedure which shall:

(a) Establish that the number of envelopes marked "Ballot" corresponds to the number of votes allowed to the Member or their proxy, identified on the outside envelope containing them; and

(b) That the signature of the Member or his proxy on the outside envelope is genuine; and

(c) If the vote is by proxy that a proxy has been filed with the Secretary as provided in Article XIV, Section 2 and that such proxy is valid.

Such procedure shall be taken in such a manner that the vote of any Member or his proxy shall not be disclosed to anyone, even the Election Committee.

The outside envelopes shall thereupon be placed in a safe or other locked place and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one ballot, all such ballots shall be disqualified and shall not be counted. Immediately after the announcement of the results, unless a review of the procedure is demanded by the Members present, the ballots and the outside envelopes shall be destroyed.

ARTICLE IX.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall have power:

(a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth ($\frac{1}{4}$) of the voting Membership, as provided in Article XIII, Section 2.

(b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such

ARTICLE VIII
Election of Directors

Section 1.

Amended to read: Election to the Board of Directors shall be by written ballot at the Annual Meeting as here in after provided. At such meeting the members may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the recorded covenants applicable to Pine Lake Hills. The names receiving the largest number of votes shall be elected. Those members not in attendance at the day of election may cast their vote by absentee ballot according to the following provisions.

- (A) The ballots must be completed and in the hands of the election judge (the Chairman of the Nominating Committee) NO LATER THAN 48 hours before the actual annual election.
- (B) The absentee ballots shall be placed in ballot envelopes as outlined in Section 7 and be placed un-opened in the ballot box by the Election Committee on the day of the annual election.
- (C) Ballots by Proxy votes shall not be allowed for the election to the Board of Directors. All further references to Proxy votes in Article VIII shall be changed to absentee ballots. This change is ONLY for the annual election to the Board of Directors, and does not change the use of Proxy votes for special elections dealing with corporate business.

EXPLANATION: It is felt that the election to the Board of Directors will more accurately reflect the wishes of those living in the Pine Lake Hills Addition if proxy votes are disallowed for the annual election, and instead giving those members who must be absent on the date of our annual meeting, the opportunity to cast an absentee ballot.

James J. ...

security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or director of the Association in any capacity whatsoever.

- (c) To establish, levy and assess and collect the assessments or charges referred to in Article III, Section 2.
- (d) To adopt and publish rules and regulations governing the use of Common Properties and the personal conduct of the Members and their guests thereon.
- (e) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to the meeting or to members in the Declaration.

Section 2. It shall be the duty of the Board of Directors:

- (a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting of the Members when such is requested in writing by one-fourth ($\frac{1}{4}$) of the voting Membership, as provided in Article XIII, Section 2.
- (b) To supervise all officers, agents and employees of this Association and to see that their duties are properly performed.

(c) As more fully provided in Article VI of the Declaration applicable to Pine Lake Hills:

- (1) To fix the amount of the assessment against each Lot for each assessment period; and, at the same time:
- (2) To prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member; and at the same time:
- (3) To send written notice of each assessment to every Owner subject thereto.
- (d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.
- (e) To appoint an Audit Committee each year at least ninety (90) days prior to the regular annual meeting of the Members. This committee shall consist of at least five (5) Members, none of whom are on the current Board. It shall be the responsibility of this Committee to see that the Association's financial records and statements are audited prior to the regular annual meeting of the Members and that a thorough report of said records and statements is given to the Members at said annual meeting. (Added by Amendment 2/79)

ARTICLE X.

DIRECTOR'S MEETING

Section 1. The regular meetings of the Board of Directors shall be held monthly. These meetings shall be held at a regular time and in the clubhouse unless otherwise posted, and shall be held alternately on the second Monday and the second Tuesday of each month commencing with the second Tuesday of March, 1979. Nothing contained herein shall be construed to alter the duty of the Board of Directors to keep a complete record of all its actions and corporate affairs and to present a statement thereof to the Members at their annual meeting. (Revised 2/79)

2nd Monday of Month 9/81
Section 2. Notice of such regular meetings is hereby dispensed with. (Revised 2/79)

Section 3. Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two (2) directors after not less than three (3) days' notice to each director.

Section 4. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice of a quorum is present and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE XI.

OFFICERS

Section 1. The officers shall be a President, a Vice-President, a Secretary, and a Treasurer. The President and the Treasurer shall be chosen from the Members of the Board of Directors. (Revised 2/79)

Section 2. The Vice-President and the Secretary shall be chosen from the Membership and by a majority vote of the Board of Directors. (Revised 2/79)

Section 3. All officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at all meetings of the Board of Directors and at the annual meeting of the Members. He shall see that orders and resolutions of the Board of Directors and of the Members are carried out. He shall sign all notes, checks, leases, mortgages, deeds and all other written instruments provide that said notes and checks are also signed by the Treasurer. (Revised 2/79)

Section 5. The Vice-President shall perform all the duties of the President in his absence. He shall also perform the various tasks assigned to him by the President and/or the Board of Directors.

Section 6. The Secretary shall be ex officio the Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. He shall sign all certificates of Membership. He shall record in a book kept for that purpose the names of all Members of the Association together with their addresses as registered by such Members (see Article XIII, Section 3).

Section 7. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the President or the Vice President.

Section 8. The Treasurer shall keep proper books of accounts. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the Membership at its regular annual meeting.

ARTICLE XII. (Entire Article Amended 2/79)

COMMITTEES

Section 1. The Standing Committees of the Association shall be:

- The Recreation Committee
- The Park Committee
- The Water and Street Lighting Committee
- The Township Affairs Committee

Unless otherwise provided herein, each Committee shall be chaired by a Member of the Board as set forth in Article VII hereof and shall consist of at least five (5) Members. The Committees shall be appointed by the Board of Directors after their election to serve for a period of one (1) year or until their successor is appointed. The Board of Directors may appoint such other Committees as it deems desirable.

Each Committee shall have the power to appoint a Sub-Committee from among its Members and may delegate to any such Sub-Committee any of its powers, duties and functions. It shall be the duty of each Committee to receive complaints from Members on any matter involving Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other Committee, Director or officer as is further concerned with the matter presented.

Section 2. The Recreation Committee shall be responsible for the care, cleaning and maintenance of the pool, tennis courts and clubhouse. They shall also be responsible for rental of the clubhouse.

Section 3. The Park Committee shall be responsible for the care and upkeep of the common properties including the park, lake, and bridle path, now known as the bike and nature trail. This included the mowing of the grounds (which also applies to the property housing the water system), and maintenance of the lake (whether it be restocking fish or applying necessary chemicals for weed control).

Section 4. The Water and Street Lighting Committee shall be responsible for the care and maintenance of the water system and the lights of the streets. This includes responsibility for the management and collection of water and lot assessments. It also includes responsibility for notifying Sioux Valley Electric concerning maintenance of the street lighting system.

Section 5. The Township Affairs Committee shall be responsible for street repair and snow removal. It will also be responsible for keeping the Members up to date on Township happenings and decisions.

ARTICLE XIII.

MEETINGS OF MEMBERS

Section 1. The regular annual meeting of the Members shall be held on the first Saturday of June of each year commencing with the first Saturday of June, 1980. (Revised 2/79)

Section 2. Special meetings of the members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or by any two or more Members of the Board of Directors, or upon written request of the members who have a right to vote one-fourth ($\frac{1}{4}$) of all of the votes of the entire Membership or who have a right to vote one-fourth ($\frac{1}{4}$) of the votes of the Class A Membership.

Section 3. Notice of any meetings shall be given to the Membership by the Secretary. Notice may be given to the Membership either personally or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the corporation. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting regular or special shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted.

Section 4. Except as otherwise provided herein, the presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth ($\frac{1}{10}$) of the votes of each class of Membership shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles of Incorporation or by the Declaration applicable to Pine Lake Hills shall require a quorum as therein provided.

ARTICLE XIV.

PROXIES

Section 1. At all corporate meetings of Members, each Member may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxies shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his townhome or other interest in Pine Lake Hills.

ARTICLE XV.

BOOKS AND PAPERS

Section 1. The books, records and papers of the Association shall at all times, during reasonable hours, be subject to the inspection of any members.

ARTICLE XVI.

CORPORATE SEAL

Section 1. The Association shall have a seal which shall be circular in form and shall have inscribed thereon the name of the corporation, the name of the State of South Dakota, and the words "corporate seal."

ARTICLE XVII.

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of each class of Members present in person or by proxy, provided that the voting and quorum requirements specified for any action under any provisions of these By-Laws shall apply also to any amendment of such provision and provided further that those provisions of these By-Laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration applicable to Pine Lake Hills may not be amended except as provided in such Declaration.

Section 2. In the case of any conflict between the Article of Incorporation and these By-Laws, the Article of Incorporation shall control; and in the case of any conflict between the Declaration applicable to Pine Lake Hills and these By-Laws, the Declaration shall control.

ARTICLE XVIII.

DISSOLUTION

The corporation may be dissolved only with the assent given in writing and signed by the Members entitled to cast two-thirds (2/3) of each class of its Membership. Within notice of a proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets (which shall be consonant with Article XIX hereof) shall be mailed to every Member at least ninety (90) days in advance of any action taken.

ARTICLE XIX.

DISPOSITION OF ASSETS UPON DISSOLUTION

Upon dissolution of the corporation, the assets both real and personal of the corporation, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance such assets shall be granted conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes, as nearly as practicable the same as those to which they were required to be devoted by the corporation. No disposition of Association properties shall be effective to divest or diminish any right or title of any Member vested in him under the recorded covenants and deeds applicable to the properties value made in accordance with the provisions of such covenants and deeds.

KNOW ALL MEN BY THESE PRESENTS:

(The signature page of the By-Laws is included at this point)

Amendment #1

Article VI, Section 1, paragraph (b), of the By-Laws is amended to read as follows:

The Corporation shall have the power to mortgage its properties only to the extent authorized under the recorded Declaration applicable to said properties. The total debts of the corporation, including the principal amount of such mortgages, outstanding at any time, shall not exceed the total of one (1) year's assessments current at that time, provided that authority to exceed said minimum in any particular case may be given by an affirmative vote of two-thirds (2/3's) of the votes of the Members who are voting in person or by proxy at a meeting called for this purpose, written notice of which shall be mailed to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

defeated
2/79
referred
to 3/79,
4/79
Passed
5/79

Explanation: (1) The total permissive debts of the corporation has been changed from two year's assessments to one year's assessments just to give the Members a little tighter control over the spending authority of the Board. (2) The language referring to votes "of each class" of the Members has been omitted because pursuant to the terms of the By-Laws, there is no longer more than one class of Members.

Amendment #2

Article VII, Section 1 of the By-Laws is amended to read as follows:

The management and affairs of this corporation shall be handled by a Board of Directors elected from the Membership as provided in Article VIII hereof. Any decisions or actions taken by the Board shall be subject to reversal or alteration by a majority vote of the Members at the regular annual meeting of the Members or at a special meeting of the Members called, pursuant to Article XIII, Section 2 of these By-Laws, for that purpose. The number of Directors may be changed by amendment of these By-Laws. At the annual meeting of the Members in February of 1979, the Members shall elect three (3) of the Directors for a term of one (1) year or until their successors are elected, and the other two (2) Directors for a term of two (2) years or until their successors are elected; and at each annual meeting thereafter the Members shall elect Directors for two (2) year terms to fill the terms that will have expired at that time.

PASSED
w/ CORRECTION
INDIVIDUALLY

*Five directors

In addition to the powers and duties of the Board of Directors as set forth in Article IX of these By-Laws, each of the Directors, except the President, shall have the responsibility of serving as chairperson of one of the standing committees. The Board as a whole shall determine which Director will be chairperson of which standing committee, provided that the Director who is also Treasurer of the corporation shall always be chairperson of the Water and Street Committee.

W. King

Explanation: (1) The By-Laws presently do not clarify what the Members can do at their meetings. The second sentence makes it clear that although the Board of Directors is entitled to manage the affairs, the Members can still intervene so as to prevent the occurrence of something they do not approve. (2) The staggering terms are designed to maintain a Board that always has some experienced Members. (3) The Treasurer will always chair the Water and Street Committee because of the nature of that Committee's responsibilities.

Amendment #3

Article VIII, Section 2 of the By-Laws is amended to read as follows:

Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be appointed each year by the Board of Directors.

APPROVED
BY AMENDMENT
AS INDICATED

Article VIII, Section 3 of the By-Laws is amended to read as follows:

The Nominating Committee shall consist of not less than three (3) Members, all of whom ^{and not more} must be Members of the Association. This ^{50% can be n} Committee shall be appointed by the Board at least sixty (60) days prior to the annual ^{isting} meeting of the Members. ^{Board}

Article VIII, Section 4 of the By-Laws is amended to read as follows:

The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations shall be placed on a written ballot as provided in Section 5 of this Article and shall be made in advance of the time fixed in Section 5 for the mailing of such ballots to Members.

Explanation: The existence of a Nominating Committee is still deemed to be desirable although it does not seem necessary that it be a standing committee.

Amendment #4

Article IX, Section 2, paragraph (e) shall be added by amendment and shall read as follows:

To appoint an Audit Committee each year at least ninety (90) days prior to the regular annual meeting of the Members. This

Committee shall consist of at least five (5) Members. ^{→ none of whom are on the current Board.} It shall be the responsibility of this Committee to see that the Association's financial records and statements are audited

prior to the regular annual meeting of the Members and that a thorough report of said records and statements is given to the Members at said annual meeting.

APPROVED
w/AMENDMENT
AS INDICATED

Amendment #5

Article X, Section 1 of the By-Laws is amended to read as follows:

The regular meetings of the Board of Directors shall be held monthly. These meetings shall be held at a regular time, and in a regular-location-convenient for the attendance of all the Members and shall be held alternately on the second Monday and the second Tuesday of each month commencing with the second Tuesday of March, 1979. Nothing contained herein shall be construed to alter the duty of the Board of Directors to keep a complete record of all its actions and corporate affairs and to present a statement thereof to the Members at their annual meeting.

*while
the children
were
there*

PASSED
BY AMENDMENT
AS INDICATED

*Changed to
Second Tuesday
Third Monday*

Article X, Section 2 of the By-Laws is amended to read as follows:

Notice of such regular meetings is hereby dispensed with.

Explanation: (1) The Board of Directors is required to meet monthly with all Members being permitted to attend. This will help facilitate the Directors' handling of the Corporation's affairs. Notwithstanding the fact that the Members are allowed to attend each meeting, the Board is still required to make an annual report at the regular meeting of the Members. (2) It is implied that a convenient location and time will be one that will remain constant, therefore notice of such meetings need not be required.

Amendment #6

Article XI, Section 1 of the By-Laws is amended to read as follows:

The officers shall be a President, a Vice-President, a Secretary and a Treasurer. The President and the Treasurer shall be chosen from the Members of the Board of Directors and by a majority vote of the Board of Directors.

PASSED

Article XI, Section 2 of the By-Laws is amended to read as follows:

The Vice-President and the Secretary shall be chosen from the Membership and by a majority vote of the Board of Directors.

Explanation: (1) This requires that the President and Treasurer be on the Board of Directors for managerial consistency. (2) The election of the officers by the Board of Directors has been left unchanged.

Amendment #7

Article XI, Section 4 of the By-Laws is amended to read as follows:

The President shall preside at all meetings of the Board of Directors and at the annual meeting of the Members. He shall see that orders and resolutions of the Board of Directors and of the Members are carried out. He shall sign all notes, checks, leases, mortgages, deeds and all other written instruments provided that said notes and checks are also signed by the Treasurer.

PASSED

Article XI, Section 5 of the By-Laws is amended to read as follows:

The Vice-President shall perform all the duties of the President in his absence. He shall also perform the various tasks assigned to him by the President and/or the Board of Directors.

Explanation: Clarification of these officers' responsibilities.

Amendment #8

Article XII, and all the sections thereof, is hereby abolished.

Article XII, Section 1 of the By-Laws shall hereinafter read as follows:

The Standing Committees of the Association shall be:

The Recreation Committee
The Park Committee
The Water and Street Lighting Committee
The Township Affairs Committee

PAASER

Unless otherwise provided herein, each Committee shall be chaired by a Member of the Board as set forth in Article VII hereof and shall consist of at least five (5) Members. The Committees shall be appointed by the Board of Directors after their election to serve for a period of one (1) year or until their successor is appointed. The Board of Directors may appoint such other Committees as it deems desirable.

Each Committee shall have the power to appoint a Sub-Committee from among its Members and may delegate to any such Sub-Committee any of its powers, duties and functions. It shall be the duty of each Committee to receive complaints from Members on any matter involving Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other Committee, Director or officer as is further concerned with the matter presented.

Article XII, Section 2 of the By-Laws shall hereinafter read as follows:

The Recreation Committee shall be responsible for the care, cleaning and maintenance of the pool, tennis courts and clubhouse. They shall also be responsible for rental of the clubhouse.

Article XII, Section 3 of the By-Laws shall hereinafter read as follows:

The Park Committee shall be responsible for the care and upkeep of the common properties

Amendment #8 continued

including the park, lake, and bridle path, now known as the bike or nature trail. This includes mowing the grounds (which also applies to the property housing the water system), and maintenance of the lake (whether it be restocking fish or applying necessary chemicals for weed control).

Article XII, Section 4 of the By-Laws shall hereinafter read as follows:

The Water and Street Lighting Committee shall be responsible for the care and maintenance of the water system and the lights of the streets. This includes responsibility for the management and collection of water and lot assessments. It also includes responsibility for notifying Sioux Valley Electric concerning maintenance of the street lighting system.

Article XII, Section 5 of the By-Laws shall hereinafter read as follows:

The Township Affairs Committee shall be responsible for street repair and snow removal. It will also be responsible for keeping the Members up to date on Township happenings and decisions.

Amendment #9

Article XIII, Section 1 of the By-Laws is amended to read as follows:

The regular annual meeting of the Members shall be held on the first Saturday of June of each year commencing with the first Saturday of June, 1980.

PASSED

Explanation: (1) The Board of Directors can be responsible for organizing the picnic and the entertainment for the children. If necessary a resolution could be passed by the Board or by the Members directing the Board to do so, but it does not seem necessary to include such a direction in the By-Laws. (2) June of 1980 was used so as to avoid any conflict with actions taken in February of 1979 by having another regular meeting of the Members in June of 1979.

Amendment #10

Article II, Section 1 of the By-Laws is amended to read as follows:

The principal office of the Association shall be located at 7101 Pine Lake Drive, Sioux Falls, South Dakota.

PASSED

Explanation: This is simply to change the address of the records to the clubhouse, where all mail and all dues should now be sent.