



EAGLE DEER RESERVE MEMBERSHIP BY LAWS



Article I Creation and Purpose

1.1 Eagle Deer Reserve Membership Association (the *Association*) is established pursuant to *Covenants and Restriction for Eagle Deer Reserve, Town of Sand Lake, Burnett County, Wisconsin (Covenants and Restrictions)*, recorded in the office of the Register of Deeds of Burnett County on the 4th day of May, 1988 at 9:45 a.m. in volume 431 at pages 584-592, incl, as document number 254518.

1.2 The purpose of the *Association* is to maintain, manage, improve, regulate, preserve, repair and replace the appurtenances, structures, grounds and common roadways of Eagle Deer Reserve, as described in the *Covenants and Restrictions*, and to be responsible for the enforcement of the *Covenants and Restrictions* and for such other appurtenant purposes as the *Association* shall from time to time require.

Article II Membership and Voting

2.1 Membership and voting provisions shall be as stated in the *Covenants and Restrictions*.

2.2 Nothing shall prevent the Developer from entering into voting agreements with the other Class A and B members of the *Association* to limit the number of votes which the Developer will cast, either in general, or as to certain particular subject-matter, or during certain periods of time.

Article III Membership Meetings

3.1 There shall be an annual meeting of the membership of the *Association*, to be held each year on the third Saturday in June at 1:00 p.m. The Board of Directors may vote to schedule the meeting before such time or to adjourn such meeting to such other time as it shall determine. The annual meeting shall be held on the Eagle Deer Reserve real estate, unless another place is designated by the Board of Directors.

3.2 A special meeting of the membership of the *Association* may be called by a majority vote of the Board of Directors or by the petition of not less than 20% of the members entitled to vote. A special meeting shall have all of the powers of an annual meeting. The resolution or petition calling the special meeting shall state the items of business to be conducted thereat

and no other items of business shall be conducted. If called by the Board of Directors, the date, time and place of the meeting shall be set by the Board at the time the meeting is called. If called by petition, the petition shall be delivered to the Secretary of the *Association*, who shall set the date, time and place of the meeting, which shall be no later than 45 days thereafter.

3.3 Notice of the date, time and place of either an annual or special meeting shall be given to each member by mailing to the address of the voting member in the records of the *Association* not less than seven (7) days prior to the meeting. If the business of the meeting is not immediately pressing, not less than fourteen (14) days notice would be preferred. The notice shall include the agenda for the meeting, including, in the case of a special meeting, the particular items of business for which the meeting was called.

3.4 The powers of a membership meeting are:

1. To elect the president, secretary, treasurer, and two additional members of the Board of Directors
2. To approve the Budget of the *Association*, including any assessments
3. To conduct any other business consistent with the purposes of the *Association* which is not reserved in these By-laws to the Board of Directors.

3.5 The president of the *Association* shall be the chair of any membership meeting and the secretary of the *Association* shall be the secretary of the meeting. The secretary shall take official minutes. If the chair or secretary is absent, the meeting shall elect a replacement before conducting any other business. The meeting shall be conducted according to Roberts Rules of Order, unless inconsistent herewith, and except as amended from time to time. The parliamentary rulings of the chair shall be final, unless overruled by a two-thirds vote of the members present and entitled to vote.

3.6 A quorum shall be 51% of the authorized votes of members entitled to vote. No binding action may be taken in the absence of a quorum.

Article IV Board of Directors

4.1 There shall be a Board of Directors (*Board*) composed of Five (5) members: the president, secretary and treasurer, plus two directors. The Board will serve two year terms except for year 2000 when President, Secretary, and Treasurer will serve 2 years and directors will serve one year. This will provide for staggered terms in subsequent years. If for some reason a board member cannot fulfill their elected term, the board will appoint a replacement to serve the balance of the term. Vacancies shall be filled by the *Board* for the balance of the term, unless a petition to hold a special meeting for that purpose is filed prior to the *Board* meeting at which such matter is to be heard.

4.2 *Board* members shall be elected at the annual meeting of the membership, with alternate 2 year terms, by all of the votes entitled to vote, including all of the votes owned or controlled by the Developer.

4.3 The Board of Directors shall have the responsibility for the day to day management of the *Association*. In furtherance thereof the *Board* shall have the exclusive powers, as provided in the *Covenants and Restrictions*, "to manage the common roads, land, structures and improvements and to provide for its repairs, maintenance and replacement and to enforce any or all" of the *Covenants and Restrictions*. The *Board* is also empowered to provide proper insurance coverage for common properties and roads, to perform any other function assigned to the *Board* in these By-Laws or by any state, federal or local laws or regulations, or, not inconsistent herewith or with the *Covenants and Restrictions*, delegated by the membership acting at a duly constituted annual or special meeting. There shall be no restriction upon the role or function of members of the *Board*, other than those contained herein, or in any state, federal or local laws or regulations, or in the *Covenants and Restrictions*.

4.4 The Board of Directors shall meet monthly at a time and place which they shall determine from time to time. In the event that there is insufficient agenda to justify the holding of a monthly meeting, it may be canceled by the president and secretary acting together. Any two members of the *Board* may call a special meeting of the *Board*, in which case the other member shall be entitled to not less than fourteen days notice of the date, time, place and subject matter of the meeting. Any notice of meeting can be waived by the unanimous written consent of the members of the *Board*. Any action which could be taken by the *Board* at a meeting can be taken without a meeting by written minutes signed by all members of the *Board*.

4.5 Three *Board* members shall constitute a quorum and any action taken by the *Board* shall require the affirmative vote of three members of the *Board*, except amendment of a duly enacted budget, as provided in Section 7.8 hereof.

Article V Officers

5.1 The officers shall be a president, a secretary and a treasurer. The election and term of each officer shall be as provided in Article IV.

5.2 The president shall preside at all meetings of the members and of the *Board*, shall carry out all directives of the *Board*, shall perform any other function assigned to the president in these By-Laws or by any state, federal or local laws or regulations, and shall have such other duties as the *Board* or a duly constituted annual or special meeting of the members shall provide.

5.3 The secretary shall keep minutes of all meetings of the members and of the *Board*, shall keep all files of the *Association*, shall perform any other function assigned to the secretary in these By-Laws or by any state, federal or local laws or regulations, and shall perform such other duties as the *Board* or a duly constituted annual or special meeting of the members shall provide.

5.4 The treasurer shall keep the financial records of the *Association*, shall annually prepare materials to assist the *Board* in the preparation of the annual budget, shall prepare an annual report of the finances of the *Association* for the annual meeting of the members, shall submit materials to the audit committee sufficient to assist that committee in the annual audit, to perform any other function assigned to the treasurer in the By-Laws or by any state, federal or local laws or regulations, and shall perform such other duties as the *Board* or a duly constituted annual or special meeting of the members shall provide, not inconsistent herewith.

5.5 The members at a duly constituted annual or special meeting may provide for other officers from time to time, including one or more vice-president, and such assistant treasurers or secretaries as are judged needed. Notwithstanding any other provision hereof, in the event one or more vice-presidents are in office, the highest available vice-president shall preside at any meeting of the members from which the president is absent.

5.6 The members at a duly constituted annual or special membership meeting may, in their discretion, remove any officer with or without cause, provided that such action is listed in the notice of the meeting, and replace such removed officer for the balance of the term.

5.7 The compensation of officers, if any, shall be provided in the budget and approved as part of the budget process. Within the limitations of the budget, the *Board* may provide for the reimbursement of any out of pocket expenses of an officer.

Article VI Audit

6.1 There shall be an audit conducted annually by an audit committee. The audit shall be conducted after the end of the fiscal year of the *Association* and prior to the annual meeting of the members. The purpose of the audit shall be to verify the accuracy of the financial records of the *Association* and to suggest ways in which the financial record keeping of the *Association* could be improved. A report of the audit shall be given to the members at the annual meeting.

6.2 The audit committee shall be composed of not less than two (2) members, who must be members of the *Association*. The *Board* shall nominate an audit committee prior to the annual meeting and the members entitled to vote at such meeting shall elect the committee for the following year. Any member may be nominated from the floor. The candidates with the top two vote totals shall make up the committee.

6.3 The audit committee shall have access to any and all financial records of the *Association*, including but not limited to ledgers, checkbook, bank statements and canceled checks (to the extent that canceled checks are returned by the bank.) The audit committee may employ any cross checking methods commonly employed for such purposes, but need not meet the standards of a CPA audit and it is not expected that the audit committee will be familiar with Generally Accepted Accounting Principles.

Article VII Budget and Assessment

7.1a Prior to the annual meeting of members each year, the treasurer shall prepare an annual report, in the form of an income statement and a balance sheet, showing the financial transactions for the preceding year. The income statement shall have line items corresponding to the line items in the previous year's budget and shall be prepared as a spreadsheet showing the budget and the actual expenditure for each line item in separate columns.

7.1b The membership meeting at which the budget is adopted shall be held prior to the commencement of the fiscal year to which it applies. If the annual membership meeting is held by the commencement of the fiscal year, it shall also serve as the budget meeting. If the annual meeting is not scheduled to permit enactment of the budget prior to the commencement of the fiscal year, then the *Board* shall call a special membership meeting to consider the budget. In such case, the treasurer shall prepare a financial report similar to that described in Section 7.1a, but using year-to-date amounts and estimates of final amounts, in two separate columns, instead of the final annual amounts which would have appeared in an annual report after the end of the fiscal year. Such a financial report is for the use of the members at the special budget meeting and is not intended to replace the annual financial report required in Section 7.1a.

7.2a Annually, as provided herein, the *Board* shall prepare a proposed budget. At the option of the treasurer, the proposed budget may be presented upon the same spreadsheet as the financial report as an additional column. The proposed budget shall include a statement of which assessments are recommended to be levied on each class of property, as authorized by the *Covenants and Restrictions*. A due date for assessments, not less than 30 nor more than 60 days after the date of passage, shall be recommended.

7.2b In putting together the annual budget and assessments, the *Board* is authorized to recognize that certain categories of expenditure may have disproportionate effect upon different categories of members. In particular, a separate budget and assessment plan may be appropriate for certain capital expenditures which benefit primarily the unsold or sold lots. In such cases, the budget may provide for a separate assessment plan, or certain capital improvements may be financed by a special assessment, pursuant to Wis Stat 779.70(2)(e), or a successor statute thereto.

7.2c With the exception of special assessments under Section 7.2b, assessments and charges shall be levied equally against each lot currently plotted on certified survey maps which describe the development. As of January 1, 2000, there are 36 lots.

7.3 Not less than 14 days prior to the annual budget meeting of the members, the secretary shall cause the financial report and the proposed budget for the following year to be sent to each member at the address on the books of the *Association*.

7.4 At the annual budget meeting of the *Association* there shall be a time set aside for the members to ask any questions which they may have about the proposed budget, the financial report or the audit committee's report. The treasurer and members of the *Board* and the audit committee should be on hand to answer member's questions.

7.5 After the question and answer period is completed, the budget, including any assessments contemplated therein, shall be voted upon by the membership, according to voting rights established in the *Covenants and Restrictions*. The due date for assessments shall be firmly established.

7.6 After the passage of the budget, the secretary shall mail each member a copy of the budget as passed, along with a notice of the assessment to be due on each lot and the total assessment due, along with the due date.

7.7a In the event that any assessment remains unpaid for a period of 60 days, the *Board*, in its sole discretion, may proceed to reduce the arrearage to a lien pursuant to Wis Stat 779.70 (4), *et seq*, or any successor statute thereto.

7.7b If assessments and fees levied hereunder against any lot remain unpaid after the due date, membership voting rights based upon ownership of such lot are automatically suspended until such assessments and fees are paid in full.

7.8 The authority of the *Board* to spend, authorize expenditures or incur obligations for purchases of goods or services is limited to that established in the annual budget enacted as provided in this Article VII. Notwithstanding this provision, however, the *Board* may amend the annual budget to meet unanticipated needs or changing circumstances by a vote of not less than Four (4) board members, provided that no such amendment shall result in increased or additional assessments or fees unless such increase or additional assessments or fees are approved by an annual or special meeting of the membership at which such action is proposed on the notice of meeting.

7.9 Any assessment levied hereunder shall comply with the *Covenants and Restrictions* and with the laws of the State of Wisconsin for such assessments.

Article VIII
Miscellaneous Matters

8.1 The *Board* shall determine the nature and depository of all accounts for the funds of the *Association* and shall direct the treasurer regarding which funds should be deposited in which accounts, if there is more than one. Any checks or drafts written on an *Association* account shall require two *Board* signatures, either secretary, treasurer or president. In the event any one fails or refuses to sign a particular check, the secretary can be authorized by an affirmative vote at a duly constituted regular or special meeting of the *Board* to sign on that official's behalf.

8.2 Any contract for materials or services exceeding \$100.00 must be approved by an affirmative vote of the *Board* at a regular or special meeting.

8.3 If provided as part of the common area, individual boat slips shall be limited to one per lot and the use of each such slip shall be limited to the use of the owner of each such lot and his or her guests. The assignment of a slip shall be permanent and appurtenant to the lot. Instead of a maximum of two main docks there will be at least three. Slip system will consist of a 6' wide main dock and 4' wide fingers, length to accommodate owners boats. System will be floating.

8.4 As provided in Declaration No. 2 of the Covenants and Restrictions, no commercial activity may be conducted by or on behalf of any member on any lot within the development. This provision shall not restrict owners of any lot from marketing, developing or improving such lot for residential purposes.

Article IX
Amendments

9.1 In addition to the method provided in the Covenants and Restrictions, these By-Laws may be amended by the affirmative vote of a majority of the qualified votes present at a duly constituted meeting of the members, provided that there is a quorum present and that the amendment proposed was distributed to all of the members in advance along with the meeting notice.

9.2 The *Covenants and Restrictions* are restrictive deed covenants and (with the exception of the single opportunity to amend at the annual meeting in 1996, which has passed) can only be amended to have an effect on lots which accept the amendment in writing. Therefore, any amendment to the *Covenants and Restrictions* will only take effect when accepted in writing by the owners of all lots to which the *Covenants and Restrictions* apply.

9.3 These By-Laws will take effect when enacted by the *Board*, after review and comment by the members.