

## **Barnes Lake Club By-Laws**

These By-Laws of the Barnes Lake Club, presented by the Barnes Lake Club Board of Directors, and adopted by the Barnes Lake Club membership, supersede, in their entirety, any previous versions of the By-Laws of the Barnes Lake Club. The use of the park lots and dedicated lots will be governed by these By-Laws inclusively.

### **ARTICLE I - NAME OF ORGANIZATION**

The name of this organization shall be the "Barnes Lake Club," a Michigan nonprofit organization, hereinafter referred to as "BLC." The lake refers to Barnes Lake, which is a private all-sports lake. The 'community' is comprised of the owners of Deerfield Park, Deerfield Park #1, Deerfield Park #2, Park Lots A-I, Forest Place (a.k.a. Park Lot J), and Park Lots K-U (dedicated lots jointly owned by all property owners), as well as Park Lot V and Lot J37 (owned exclusively by BLC, purchased for the use by property owners).

### **ARTICLE II - PURPOSE**

The purpose of the BLC is to promote the protection of the property of its community, provide community recreation, acquire property for recreational purposes, encourage property improvements and sanitation, promote safe watercraft practices, and the conservation of fish and wild game.

### **ARTICLE III - MEMBERS**

**Section 1** - Membership in the BLC shall be limited to home/parcel owners, their household members, and/or their tenants in Deerfield Park Subdivision, Deerfield Park Subdivision #1 and Deerfield Park Subdivision #2 in the Township of Deerfield, Lapeer County, Michigan.

**Section 2** - The BLC Board of Directors may require proof of ownership before any home/parcel owner, resident, and/or tenants shall be eligible to become members of the Club.

**Section 3** - All members in good standing are limited to one (1) vote per member-household. Ownership of more than one home or parcel of land by any single person or couple does not increase the number of votes. No member-household shall exercise more than one (1) vote on any given issue.

**Section 4** - Members in good standing as the term is used in these By-Laws shall mean that all dues are paid as provided for in these By-Laws, and the members are not in violation of their rules and regulations.

**Section 5** - Each member-household, upon payment of dues, shall be entitled to all rights and privileges of the BLC.

**Section 6** - Any member, upon selling and/or conveying the title to their home / parcel ends their eligibility for membership in BLC.

#### **ARTICLE IV - FISCAL YEAR AND DUES**

**Section 1** - The BLC fiscal year is July 1st through June 30th.

**Section 2** - The financial records of the BLC are to be audited annually, within one quarter of the fiscal year close, by a qualified independent certified auditor. The BLC Board of Directors may require the auditor to provide their credentials.

**Section 3** - Home/parcel owners, their household members or their tenants within Deerfield Park, Deerfield Park #1, and Deerfield Park #2 who desire to become a BLC member-household shall submit an application for membership as defined by the BLC. The application, together with any applicable dues and fees, shall be submitted to the Treasurer of the BLC.

**Section 4** - All dues collected provide a membership effective through June 30th of the following calendar year.

#### **ARTICLE V - OFFICERS AND DIRECTORS**

**Section 1** - The business of the BLC shall be managed by a Board of Directors consisting of nine (9) members. One of the directors shall be elected by the Board as the President, one as the Vice-President, one as the Treasurer, and one as the Secretary. The Board shall have the authority to manage the affairs and business of the BLC. Meetings of the Board of Directors require a majority [five (5)] of the entire number of directors (a quorum). For the transaction of business, a majority of the votes of the quorum shall be sufficient to pass any measure brought before the Board.

**Section 2** - The Board of Directors shall be nominated and elected by the members of the BLC at its annual meeting. If there are more individuals nominated than positions available, a vote by the BLC members will be conducted by private ballot, with one (1) vote per member-household. Those nominated can present their qualifications prior to the vote. Those elected with the most votes will take the available positions.

**Section 3** - Each director shall serve a three-year term. Directors must conduct themselves in a professional and ethical manner, including but not limited to, the handling of confidential information.

**Section 4** - After the conclusion of the annual meeting, the Board of Directors shall convene a meeting, the purpose of which will be to elect a president, vice-president, treasurer, and secretary. Each position will be held for the duration of one (1) year.

**Section 5** - In the event of vacancy on the Board of Directors due to death, resignation, or other cause, the remaining Directors, by a majority vote, shall elect a successor to hold the Director position until the next Annual Meeting. At that time, the membership shall elect a successor for the remainder of the term.

**Section 6** - Departing members of the Board of Directors are to turn over to the Treasurer, all books, records, documents, signage, and keys no later than seven days after their departure from the Board.

**Section 7** - Any Director missing three (3) consecutive Board meetings may be removed by a two-thirds ( $\frac{2}{3}$ ) majority vote of the Board.

## **ARTICLE VI - RESPONSIBILITIES OF THE BOARD OF DIRECTORS**

The Board of Directors shall:

**Section 1** - Manage all the business and property of the BLC and the shared community property.

**Section 2** - The President of the Board of Directors shall represent the BLC and community property owners, with authority to act in legal matters before any government or administrative bodies, boards, or agencies, in consultation with the full Board of Directors.

**Section 3** - The President shall preside at all meetings of the club, as well as all meetings of the Board of Directors, and in the President's absence, the Vice-President shall preside. Said President shall appoint all standing committees, subject to the approval of the Board of Directors, and be ex-officio a member of the same, without the right to vote.

**Section 4** - The Secretary shall keep the minutes of all meetings of the club and all meetings of the Board of Directors in a proper book provided for that purpose and receive a copy of all outgoing correspondence.

**Section 5** - The Treasurer shall: (1) keep records of the names and addresses of all BLC members; (2) be custodian of all books, records and papers of the BLC, all of which shall be open for examination to its members and the Board; (3) have custody and keep account of all money and securities of the BLC; (4) deposit all funds of the BLC in a bank designated by the Board; (5) pay all bills and monies as instructed by the Board; (6) prepare an up-to-date financial statement for each regular meeting and the Annual Meeting; (7) mail membership applications to all residents of Deerfield Park, Deerfield Park No. 1 and Deerfield Park No. 2 subdivisions in March of each year; (8) take the minutes of all Club meetings in the absence of the Recording Secretary; (9) obtain two signatures on all Barnes Lake Club Checks. Those authorized to sign checks are the President, Vice-President, and Treasurer; (10) obtain a financial audit, by an independent auditor, of all receipts, disbursement, ledger entries, checkbook registers, bank statements, monthly and annual reports each year prior to the Annual Meeting.

The Treasurer shall not be required to furnish a bond to the Club until deemed necessary by the Board of Directors.

**Section 6** - Maintain and update rules for property owned by the BLC and the community as needed.

**Section 7** - Collect dues and donations to support the purpose as stated in ARTICLE II.

**Section 8** - Conduct all necessary measures to limit the use of the lake to the community property owners, their tenants, or guests.

**Section 9** - Carry insurance related to all BLC property and community properties and perform all duties to maintain the BLC's non-profit designation.

**Section 10** - Establish committees as it deems necessary and appoint persons thereto.

**Section 11** - Make and perform any contract regarding the administration, management, repair, replacement, and operations of the BLC and the community.

**Section 12** - Conduct a vote of Board Members to approve any expenditure that exceeds \$100.00. The BLC credit card shall be used for expenditures when possible. In the event of an expenditure with urgency precluding waiting until the Board can meet, the expenditure exceeding \$100.00 requires the approval of the Board President and Vice-president, under dual control. Such expenditure must then be brought to the Board's attention at the next Board meeting. An urgent expenditure is defined as one which would incur increased costs, violation, or citation.

**Section 13** - Address grievances and concerns brought to its attention.

**Section 14** - Annually review the By-Laws, recommending amendments as needed, taking into consideration current regulations.

**Section 15** - Annually review the policies and procedures of the Board, making amendments as needed.

## **ARTICLE VII – MEETINGS**

**Section 1** - The BLC shall hold a meeting of its members annually in Deerfield Township, Michigan the second Saturday of July. The purpose of this meeting is to elect Directors and other business brought before the membership. The meeting shall hereinafter be referred to as the 'Annual Meeting.' The Board of Directors shall designate the Annual Meeting's time and place.

**Section 2** - The Board shall provide notice of the Annual Meeting to all BLC Members at least ten (10) days prior to the meeting via U.S. Mail service, which shall include the agenda, time, and location.

**Section 3** - The President and Vice-president shall call Special Membership Meetings at the request of the majority of the Directors, or at the request of not less than ten (10) percent of the members of the BLC. Notice of said meeting shall be provided as specified in **Section 2**.

**Section 4** - BLC meetings will be conducted in accordance with Robert's Rules of Order.

**Section 5** - The BLC Board will meet no less than seven (7) times annually. BLC members are welcome to attend.

## **ARTICLE IX - RULES AND REGULATIONS**

**Section 1** - All Federal, State, and local laws are to be adhered to by property owners within the community, their tenants, and guests.

**Section 2** - Rules shall be adopted to improve the recreational value of Barnes Lake homes/property, support community safety, sustain a healthy lake and fish population, and ensure the use of the lake remains limited to property owners, their tenants, and guests. These rules help provide the circumstances under which the BLC may facilitate the removal of individuals trespassing on the lake and the BLC's/community's properties.

**Section 3** - The purpose of the Park Lot Rules is to establish clear parameters for all activities on Barnes Lake Park Lots and dedicated lots, maintaining safety, preserving the environment, and ensuring the efficient and safe use of available dock space for non-lakefront property owners. The BLC Board of Directors has sole responsibility for the management and assignment of Park Lots dock space privileges for non-lakefront property owners of Tier 2, Tier 3, and Tier 4 homes/parcels. The BLC Boards' objective is to maximize the use of each Park Lot while preserving the Barnes Lake shoreline.

Structures on the Park Lots shall not be removed or modified without the express written permission of the BLC.

**Section 4** - The clubhouse, pavilion, beach, and swimming area are located at the end of Peninsula Drive. These are maintained by the BLC. The pavilion, beach, and swimming area are open to all property owners, their tenants, and guests.

**Section 5** - The boat launch is located at the end of Peninsula Drive. The boat launch gate allows access to the property owners, their tenants, and guests. Property owners are responsible for the conduct of their tenants and guests on the lake. The BLC is not responsible for personal injury or damage to watercraft, trailers, or any vehicles using the boat launch.

In an attempt to prevent invasive species from entering the lake, all boats and other watercraft shall be washed and drained if used on any other waterway prior to placing it on Barnes Lake.

**Section 6** - The beach area and boat launch require key cards. A key card is available to all property owners. Renters must have a letter from the property owner to obtain a key card. Only one key card is issued per home/parcel.

## **ARTICLE X - LIABILITY AND INDEMNIFICATION STATEMENTS**

**Section 1** - *Liability to the Club*: A Director who is a volunteer director (as defined in the Michigan Nonprofit Corporation Act) is not personally liable to the BLC for monetary damages for breach of Directors fiduciary duties; However, the Directors remain liable for: (a) breach of the Directors' duty of loyalty to the BLC; (b) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (c) a violation of section 552(1) of the Michigan Nonprofit Corporation Act; (d) a transaction from which the Director derived an improper personal benefit; or (e) an act or omission that is grossly negligent.

**Section 2** - *Claims by Third Parties*: The BLC assumes no liability to any person(s) other than the BLC for actions or omissions of a Director who is a volunteer Director (as defined in the Michigan Nonprofit Corporation Act) incurred in good-faith performance of the Directors' duties.

**Section 3** - *Indemnification*: The BLC shall indemnify all Directors of the BLC in any action, suit, or proceedings referred to in Sections 561 and 562 of the Michigan Nonprofit Corporation Act in the manner permitted and to the extent not prohibited by Sections 561 and 565 of the Act. The Board of Directors may contract for the purchase of insurance against liability as permitted by Section 567 of the Act.

**Section 4** - *Reimbursement*: To the extent the Directors or agent of the BLC has been successful on merits or otherwise in defense of any action, suit, or proceeding referred to in Article X, Section 1, or in defense of any claim, issue, or matter therein, he/she shall be indemnified for all expenses (including attorney's fees) reasonably incurred in connection therewith. Any indemnifications under **Article X, Section 1** (unless Ordered by a Court), shall be made by the BLC only as authorized in the specific case upon a determination that the indemnification of the Director or agent is proper under the circumstances.

## **ARTICLE XI - COMPLIANCE WITH BY-LAWS**

Failure to comply with these By-Laws may result in action by the BLC, including but not limited to, action(s) to recover damages, injunctive relief, and associated costs and/or fees incurred.

## **ARTICLE XII - AMENDMENTS TO BY-LAWS**

By-Laws may be amended by a majority vote of the members present at the Annual Meeting. Proposed amendments to these By-Laws shall be posted on the BLC website 30 days prior to the annual meeting and included with the meetings' agenda.