CONSTITUTION AND BY-LAWS OF THE ARBUTUS LAKE ASSOCIATION

AUGUST 5th, 1991 AS AMENDED August 11, 2024

CONSTITUTION

Article I: Entity

Section 1: Corporate Name
This Association, located in East Bay Township of Grand Traverse County, Michigan was incorporated on October 30, 2009 under P.A. 327 of 1931, as the Arbutus Lake Association, Inc., a non-profit corporation.

Section 2: Address

The postal address and the Registered Office Address are recorded and kept up to date as part of Article XII of the By-Laws (Appendix).

Article II: Objectives

1. To represent the riparian property owners of Arbutus Lake.

2. To preserve Arbutus Lake as a natural resource and recreational area through protection and prudent use of its environs, including but not limited to scientific monitoring of significant parameters pertinent to the environmental health of Arbutus Lake, educating users of Arbutus Lake regarding conservation and preservation of water quality, and the protection of Arbutus Lake from the effects of invasive biological species.

3. To be on guard for the health, welfare and safety of the resident community.

4. To be alert to the best interests of the Membership in fiscal, economic and civic matters such as taxation, zoning developments effecting property rights and values, pending legislation, law enforcement, etc.

5. To serve as a responsible citizen of the community.

6. To do any and all things lawful as a non-profit corporation in the furtherance of these objectives and other as approve by the association.

7. To affirm the ethical principle that individual rights should be enjoyed and protected **without trespassing on the rights of others, while adhering to the East Bay Township zoning**

ordinances (specifically the Lake Area District) and the State of Michigan waterfront regulations.

Article III: Membership

There are two categories of Membership in the Arbutus Lake Association: (1) owners of riparian rights on Arbutus Lake (hereinafter, "Members"), and (2) others who have an interest in the objectives of this association (hereinafter, "Friends"). Only Members, that do not owe any outstanding dues or assessments, are eligible to vote. Friends are not eligible to vote.

When a Member, i.e. owner of riparian rights on Arbutus Lake, is a trust, corporation, limited liability company, partnership, joint venture, or some other entity or co-tenancy, such Member shall designate, in writing to the association, a single individual who shall be authorized to (1) vote on behalf of that Member, and (2) be elected to and participate on the Board of Directors. Every such designation shall be presumed to be supported by either (1) a resolution properly adopted by any corporate Member, (2) the appropriate voting support from either the manager or the members of any limited liability company, partnership or joint venture Member, or (3) the trustee's authority to designate such individual on behalf of that trust Member. Once properly designated, the proposed individual shall be endowed with that Member's full authority to act within the terms of this Constitution and By-Laws. Only that individual shall be permitted to vote, be elected to, or participate on the Board of Directors on behalf of that Member, until a different individual is properly designated to so act.

There shall be no more than one Member per riparian property.

Article IV: Organization

Section 1: The management and operation of this corporation shall be vested in a governing Board of twelve (12) members, consisting of eleven (11) which are to be elected, plus the immediate past president. Of those twelve (12) members, five (5) should be elected, one to represent each lake basin (when possible), and six (6) at large, plus the immediate past president.

Section 2: Those to be elected by the Membership shall consist of a President, a Vice President and nine (9) Directors, elected as prescribed in Article VI, Section 6 of the By-Laws.

Section 3: The management may be augmented by the appointment of other officers and committee chairpersons by the President, subject to confirmation of the Board and responsible to the Board.

Article V: Dissolution

Upon the dissolution of this corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any

future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. At the time of dissolution, an appropriate organization or organizations will be determined that meet the exempt purpose, as stated above, as well as meet the purpose and activities of this organization, as stated in Article II.

BY-LAWS

Article I: Membership

Under Article III of our Constitution, two categories of Membership in the Arbutus Lake Association have been established: (1) Members, and (2) Friends. Eligibility requires that each Member or Friend remain current on all dues and assessments owed by that Member or Friend.

Article II: Fiscal Year

Section 1: The Fiscal year shall be September 1 through August 31, which shall determine the term of office for all elected directors and officers, administrative officers, appointed officers and committees.

Section 2: All annual reports including the Treasurer's Report shall be rendered on a fiscal year basis.

Article III: Dues and Assessments

Section 1: Dues

a. Dues shall be determined by the Board of Directors and approved by the Membership of the Association.

b. Dues are payable in advance of the beginning of the fiscal year.

c. A current schedule of dues shall be recorded in the Appendix, Article XII of the By-Laws.

Section 2: Assessments

a. Regular or Special Assessments for the operation of the Association may be levied by a majority of the full Board, subject to the approval of the Membership.

b. A current schedule of assessments shall be recorded in the Appendix, Article XII of the ByLaws.

Article IV: Meetings of the Association

Section 1: Annual Meeting

a. The Annual Meeting of the Association shall be held each year during the month of August, at a time and place to be determined by the Board.

b. The purpose of this Meeting is to receive and approve reports from the President, Secretary, Treasurer and all active Committees: to elect Officers and Directors for the coming year; to approve dues and assessments for the upcoming year and to consider any other business that may properly come before the meeting.

c. Written notice of the meeting giving the time, place and agenda, including ballots showing those nominated for various elective officers and other notable issues, shall be mailed, or e-mailed, or by any other means the board deems appropriate, to each Active Member, at least twenty-one (21) days prior to the meeting, to the last known address as shown on the records of the Corporation.

d. Discussion shall not be limited to those items shown on the agenda.

Section 2: Annual Discussion Meeting

a. A Discussion Meeting shall be held each year in the month of June at a time and place to be determined by the Board.

b. The purpose of this meeting is to reach those Members who cannot attend the Annual Meeting to inform Members of progress and developments, to receive opinions and suggestions from the Membership and to present matters for early consideration, prior to the Annual Meeting.

c. Written notice, with appropriate enclosures, shall be given as in Section 1, Paragraph c. above.

d. Since this is not a formal meeting, discussion is not limited to those topics on the agenda, and in addition, advisory voting is in order.

Section 3: Special Meetings of the Association

a. A Special Meeting of the Association may be called by the President, the Vice President or any two (2) members of the Board.
b. The Secretary shall notify the Active Membership not less than fifteen (15) days prior to the meeting, giving the time, place, purpose and agenda to be presented.
c. Discussion and action shall be limited to those items contained in the Notice.

Article V: Voting

Section 1: Qualification for Voting

a. Only Arbutus Lake Association Members are qualified and entitled to vote.

b. No more than one (1) person, other than husband and wife as an "entirety," may hold any one (1) Membership.

c. Only one (1) person may vote an "entirety" Membership on any particular matter.

Section 2: Voting Procedures

a. Voting on all issues at the Annual Meeting and all Special Meeting of the Membership shall be carried by a simple majority of the Riparian Membership voting.

   Ballots for predetermined issues will be mailed, or e-mailed, or by any other means the board deems appropriate, to all Riparian Members prior to the aforementioned meetings. Issues requiring a vote which are raised incidentally at the annual meeting are not required to be presented to the entire Riparian Membership for approval.

b. A referendum vote by mail, or e-mail, or by any other means the board deems appropriate, may be called by the President, any two (2) Directors or any seven (7) Riparian Members if there is any question as to adequate preparation, adequate notice or whether the vote was representative of the full Membership.

Article VI: The Governing Body

Section 1: Organization

a. The management and operation of this Corporation shall be vested in a governing board of **up to** twelve (12) members, consisting of eleven (11) which are to be elected, plus the Immediate Past President.

b. Those to be elected shall consist of a President, a Vice President and nine (9) Directors, elected as prescribed in Article VI, Section 6 of the By-Laws.

c. The management may be augmented by the appointment of other officers and committee chairpersons by the President, subject to the confirmation of the Board, and responsible to the Board.

Section 2: Elected Officers and Directors

a. The President:
    - Shall be the chief executive officer and shall preside at the all regular and special meetings of the Association and the Board of Directors.
    - Shall appoint all committees and other appointive officers, subject to confirmation of the Board.
    - Shall uphold the Constitution and the By-Laws of this Association.

b. The Vice President:
    - Shall be fully qualified to assume the duties and responsibilities of the President, in his absence.

c. Term of Office – President and Vice President
    - Shall be elected annually **by the membership** for a term of one year and may be re-elected to succeed themselves.

d. Prior Service – President and Vice President
    - Shall have had service on the Board of Directors.

Section 3: Directors

a. Term of Office:

Three (3) Directors shall be elected each year, for a term of three (3) years on a staggered basis. Beginning with the fiscal year beginning after the adoption of these By-Laws, three (3) for two (2) years, and three (3) Directors for three (3) years; thereafter, one-third (1/3) of the elected Directors shall be elected each year.

b. Immediate Past President:

The Immediate Past President shall serve as a Director in addition to the nine elected Directors **for a minimum of one year and a maximum of two years with voting privileges at Board Meetings.**

c. Succession:

Directors may be re-elected to succeed themselves, but not for more than three (3) successive terms.

Section 4: Vacancies

a. A vacancy in office is created through resignation, or when an officer or Board Member can no longer perform his/her duties, or when an officer of Board Member has missed three (3) consecutive Board meetings without prior notice. After the second missed meeting the Secretary shall mail, or e-mail a letter, requesting the Officer or Board Member declare an intention to remain on the Board or an intention to resign. Failure to attend the third consecutive meeting without response to the letter shall be considered a resignation.

b. Any vacancy in office may be filled by a majority vote of the Board, for the unexpired term.

c. Any vacancy on the Board may be filled by appointment of the President, subject to the confirmation by a majority of the Board, until a successor is duly qualified and elected at the next Annual Meeting.

d. Whenever necessary to conduct business, the Board may name an Officer "pro-tem".

Section 5: Nominations

a. Nominations from the Riparian Membership should be submitted to the Nominating Committee at least thirty (30) days before the Annual Meeting.

b. Each Nominee shall have the endorsement of two (2) Riparian Members and shall himself be a Riparian Member.

c. The Nominating Committee shall determine the willingness of the nominee to serve and submit the name and qualifications to the Secretary in time to prepare the ballots for inclusion in the notice of Annual Meeting.

Section 6: Elections

a. The names of the candidates for each position shall be placed on the ballots in alphabetical order with the lake of residences stipulated.

b. Ballots should be returned promptly to an appointed Election Committee, although ballots are acceptable at the Annual Meeting up until thirty (30) minutes after the opening of the business meeting.

c. "Write in" votes are acceptable.

d. The Election Committee should complete counting the ballots, including those received at the Annual Meeting, announcing the results before adjournment.

e. The new administration will take office at the beginning of the new fiscal year.

Article VII: Appointed Officers

Section 1: Appointments

Secretarial and financial functions shall be performed by appointed Officers who may be, but who need not necessarily be, members of the Board. Such appointments are subject to confirmation by a majority of the full Board and the term of office shall be concurrent with that of the President who appointed them.

Section 2: Secretarial Functions

a. Secretarial responsibilities include keeping the official records of the Association, keeping minutes of meeting of the Association and the Board of Directors, reporting annually to the Michigan Department of Commerce and the Federal Bureau of the Internal Revenue Service, maintenance of address and membership records and mailing statements of dues, assessments or other obligations to the Membership.

b. The Secretary shall also exchange membership information and reports with the Michigan Lakes and Streams Association and be responsible for preparing and mailing, or e-mailing notices of all Association and Board of Director Meetings as well as reports to the Membership, ballots, minutes of the meetings when requested by the Board and similar material.

c. The responsibility for all secretarial functions may be assigned to one person, or it may be divided among more than one person, with such responsibilities clearly defined.

d. An Executive Secretary may be appointed, or hired, who shall assume all secretarial responsibilities and at the direction of the Board, may carry out studies, attend government meetings and hearings, liaison with environmental groups, keep abreast of legislation and other community affairs effecting the Association and issue periodic reports. With prior authorization of the Board, he may be empowered to represent the Association and speak on its behalf.

e. The Secretary or Secretaries shall make the records, books, and data of the Association available to any member upon request.

Section 3: Financial Responsibilities

a. A Treasurer shall be appointed who shall have custody of all monies, funds, accounts, disbursements and property records of the Association.

b. The Treasurer shall be bonded, at Association expense.

c. The books, records and accounts shall be made available to any Member of any appointed auditing committee, upon request.

d. The Treasurer shall receive and deposit dues, assessments or other incomes and issue receipts where appropriate, as well as keeping the financial transaction records of the Association.

e. The Treasurer shall be prepared to give an interim report of all receipts, disbursements, liabilities and balances at each meeting of the Board of Directors, and at any Membership Meeting.

f. The Treasurer may make payments on any previously authorized or budgeted expenditure, and shall sign all checks for the Association, supported by proper documentation and authority.

g. Bank accounts shall be in a depository or depositories designated by the Board of Directors.

h. Payment of unanticipated expenditures may be made upon the approval of one elected Officer in amounts up to $100; or upon the approval of three (3) Board Members up to $300; or upon the approval of majority of the full Board up to **$5,000**. Approval of the Membership shall be required for expenditures over that amount.

i. A complete, audited report shall be submitted to the Board of Directors, or it's appointed Auditing Committee for study and report to the Board, at least thirty (30) days before the Annual Meeting, so that copies may be sent to the Membership with the Notice of Annual Meeting.

Section 4: Secretary-Treasurer (combined)

Whenever feasible, the Secretarial and Financial functions may be combined and served by one person acting as Secretary-Treasurer.

Article VIII: Meetings of the Board of Directors

Section 1: Regular Meetings

a. Annual Meeting: The Board shall meet within thirty (30) days of the beginning of the new fiscal year, as its organizational meeting for the purpose of appointing officers and committee persons, reviewing programs in progress and considering programs and projects for the coming year.

b. Spring Meeting: The Board shall meet within thirty (30) days prior to the July Discussion Meeting to assess work in progress, review committee reports, hear the interim Treasurer's report, and in general, prepare for the Discussion Meeting.

c. Summer Meeting: The Board shall also meet within thirty (30) days prior to the Annual Meeting to audit the financial report of the Treasurer, or accept the audited report of the Auditing Committee and to prepare for the Annual Meeting as outlined above in Section 1, Paragraph b.

Section 2: Special Meetings

a. Special Meetings of the Board may be called by the President, Vice-President or any two (2) Directors.

b. Notice of such meetings shall be mailed, or e-mailed, or by any other means the board deems appropriate, to the Board at least fourteen (14) days prior to the meetings, stating time, place and purpose of the meeting or notice shall be given verbally or electronically at least seven (7) days prior to the meeting.

c. Unless waived by a majority of the full Board, discussion and action shall be limited to those items mentioned in the notice.

Section 3: Voting

a. Quorum: A quorum shall consist of a simple majority of the Officers and Directors who are eligible to vote.

b. Proxy Voting: There shall be no proxy voting.

c. Polling: The President or presiding officer pro-tem may poll the members of the Board either by telephone or by mail, or e-mail, or by any other means the board deems appropriate, on issues that need urgent action before a meeting can be properly called or are too trivial to justify a special meeting. However, support of a majority of the full Board is required before action may be taken and the results of the poll shall be made known to each member of the Board by written report stating the issue, the resolution and the votes cast.

Article IX: Committees

Section 1: Purpose and Responsibilities

The objectives of the Association shall be implemented through Committees appointed to carry out all lawful assignments of a non-profit corporation.

Section 2: Committee Membership

a. **At the first Board Meeting of the new fiscal year, the Board should reaffirm the committees for carrying out the work of the Association for that year. This reaffirmation will be subject to a vote by a majority of the full Board and be based on the mission and objectives developed by each committee chairperson.**

b. Committees may be comprised of any number of people, according to the project, work required, interest and expertise of the individuals, Members of Committees, including the Chairpersons, need not be members of the Board, and in specific instances where outside knowledge is required, need not even be members of the Association.

c. Committee membership is subject to acknowledgment and acceptance by the appointee.

d. The term of each Committee shall be for the fiscal year, except when the Committee is formed for a specific, short-term assignment, in which case the Committee shall be terminated with completion of the duties assigned.

Section 3: Committee Expenditures

No Committee shall be empowered to incur any expenses except as authorized in advance by the Board of Directors, either as an approved budget item or as a specific authorization, **except in the case of an emergency. An emergency expenditure is limited to $300.00 annually.**

Section 4: Standing Committees

a. **Government Relations**
b. **Invasive Species**
c. **Water Quality and Testing**
d. **New Riparian Owners Welcome**
e. **Newsletter**
f. **Water Level**
g. **Website**
h. **Loon Conservation**

Section 5: Supplemental Committees

Additional Committees shall be appointed as needed to carry on the activities of the Association.

Article X: Amendments

Section 1: Initiation

a. The proposal to amend these By-Laws may originate with the Board of Directors, subject to Riparian Membership approval.

b. Additionally, any Member may file with the Secretary, a formal recommended amendment.

Such formal recommended amendment shall be considered by the Board and either rejected, submitted to the Riparian Membership for approval without change, or amended and submitted to the Riparian Membership for their approval, along with the original proposal.

The originator of the proposal shall be informed by the Board of the action taken.

c. Any Member may also file with the Secretary, an informal, suggested amendment.

Such informal suggestion shall be considered by the Board and either rejected, or submitted to the Riparian Membership for approval, in a final formal form as developed by the Board.

The originator of the proposal shall be informed by the Board of the action taken.

Section 2: Reconsideration

a. A rejected formal proposed amendment may be subject to a referendum vote of the entire Riparian Membership, upon presentation to the Board of a petition signed by ten (10) percent of the Riparian Membership.

b. A rejected informal proposed amendment may be resubmitted by the originator as a formal recommended amendment.

Section 3: Association Approval

a. Amendments may be included in the notice of the Meeting, and/or brought up at any Association Meeting to permit discussion, possible further amendment and a vote on the proposal.

b. If approved, however, such approval shall be confirmed by written ballots submitted to the entire Riparian Membership by mail, or e-mail, or by any other means the board deems appropriate, including a statement of the proposed amendment, an explanation of the reason for the change, a reasonable deadline for the return of the ballots and the effective date, if approved.

c. Except where prescribed by public law governing non-profit corporations to be otherwise, a simple majority of the Riparian Membership shall carry the proposition.

Article XI: Reports and Communications

Section 1: Annual Report to Riparian Members

An Annual Report shall be mailed, or e-mailed, or by any other means the board deems appropriate, to all Riparian Members within sixty (60) days of the beginning of the new fiscal year, to include:

- Minutes of the Annual Meeting
- The Treasure's audited Annual Report
- The President's report, taken from the Annual Meeting
- The Officers and Directors Elected and appointed
- The Committees appointed
- Other pertinent information, such as an interim Treasurer's Report, status of current projects, etc.

Section 2: Notice of Meetings

Required Notice of Meetings shall be sent to the Active Membership by first class mail, or email, or by any other means the board deems appropriate, as contained in Article IV.

Section 3: Newsletters

a. Newsletters may be sent periodically to the Membership to keep them informed on matters of interest and to hold their interest in the Association and its activities.

b. One or more issues of such a newsletter may be designed for sending all residents in the area, in order to enlist their interest and possible Riparian Membership participation.

Section 4: General Communication

Additionally, certain other forms of communications may be designed for sending to the Riparian Membership, or residents in the area, to accomplish the above objectives.

Article XII: Appendix

Section 1: Purpose

The appendix shall be used to update material of a transitory nature, as a convenience to the Membership and to avoid reprinting the entire By-Laws when, for example, dues, assessments or the Resident Address of the Association change.

Section 2: Content

In addition to Section 1 above, other material such as, but not limited to, the official postal address of the Association, stipulated dates, and an annual calendar of events shall be included.

Section 3: Amendments

Any and all amendments formally adopted shall become a part of the Appendix, Article XII, and shall be printed therein, until such time as the By-Laws are reprinted in their entirety.

Section 4: Validity

As Article XII, the Appendix is considered a part of these By-Laws.

Section 5: Official Postal Address for Arbutus Lake Association

P.O. Box 404 Mayfield, MI 49666