

# **By-Laws Of** **Lewis & Clark Home Owners Association, Inc.**

## **Article 1** **Identification and Applicability**

**Section 1.1 *Identification and Adoption.*** These By-laws are adopted by a vote of the members of the Homeowners Association. Restrictions and Protective Covenants for Lewis & Clark Subdivision Section I, II, and III have been adopted and recorded and all of the covenants, rights, restrictions, and liabilities therein contained shall apply to and govern the interpretation of these By-laws.

**Section 1.2 *Individual Application.*** All of the owners, future owners, tenants, future tenants, or their guests and invitees, or any other person that might use or occupy any part of the property, shall be subject to the Restrictions, terms and conditions set forth in the Restrictions and Protective Covenants, these By-laws, and to any rules and regulations adopted by the Board of Managers as herein provided.

## **Article 2** **Meeting of the Association**

**Section 2.1 *Purpose of Meetings.*** At least annually, and at such other times as may be necessary, the meeting of members of the Association shall be held for the election of the Board of Managers, approving the annual budget, providing the collection of dues, and for such other purposes as may be required by the Restrictions and Protective Covenants or these By-Laws.

**Section 2.2 *Annual Meetings.*** The annual meeting of the members shall be in the 1st quarter of each calendar year, on or before March 1.

**Section 2.3 *Special Meetings.*** A special meeting of the members of the Association may be called by the Board of Managers or by a written Petition of at least 10% of the Owners. The Petition is to be presented to the President or Secretary of the Association and shall state the propose of the meeting. No other business is to be transacted except what is stated in the petition.

**Section 2.4 *Notice and Place of Meeting.*** All Meeting shall be held in Clark County, Indiana. Written notice of time, date, and place of meeting shall be mailed to the Owners address by the Secretary of the Association, not less than 10 days prior to the date of such meeting. Attendance at any meeting in person, by agent or by proxy shall constitute a waiver of notice of such meeting.

**Section 2.5 *Voting and Conduct of Meetings.***

(a) Each owner in good standing, which is defined as being current or not more than 6 month delinquent in his dues, shall be entitled to cast one vote for each lot he owns on each matter coming before the meeting.

(b) Where the owner of the lot consists of more than one owner, there shall be only one voting representative entitled to vote as a owner of a lot.

(c) Voting by corporations or trusts is to be done by an agent empowered to execute said vote. The secretary of the corporation or trustee of the of the trust shall deliver to the Secretary of the Association prior to voting a certificate stating who is authorized to vote on behalf of the corporation or trust.

(d) *Proxy.* An owner may vote either in person or by his duly authorized and designated attorney in fact. The owner shall deliver to the Secretary of the Association in writing as to who he designates as attorney in fact at least five (5) days prior to the commencement of the meeting.

(e) *Quorum.* The owners representing a majority of the owners in good standing shall constitute a quorum at all meetings. Term majority of owners shall mean shall mean more than 50% of the lots in the subdivision.

(f) *Conduct of annual meeting.* The President of the Association shall act as the Chairman of all annual meetings of the Association. At all annual meetings, the Chairman shall call the meeting to order at the duly designated time and business shall be conducted in the following order:

(1) *Reading of Minutes.* The Secretary shall read the minutes of the last annual meeting and the minutes of any subsequent meetings thereto, unless such a reading is waived by a majority of the owners.

(2) *Treasurer's Report.* The Treasurer shall report to the owners concerning the financial condition of the Association and answer relevant questions of the Owners concerning the Common expenses and financial report for the prior year, and the proposed budget for the current year.

(3) *Budget.* The proposed budget for the current fiscal year shall be presented to the Owners for approval or amendment.

(4) *Election of Board of Managers.* Nomination for the Board of Managers may be made by any owner from those persons eligible to serve. Such nominations shall be in writing and presented to the Secretary of the Association at least fourteen (14) days prior to the annual meeting. Voting shall be by paper ballot, with the names of each person nominated printed on ballot. Each owner may cast the total number of votes to which he is entitled for as many nominees as are to be elected; however , he shall not be able to cumulate his votes. Those persons receiving the highest number of votes shall be elected.

Each voting member shall provide his/her name and address on the ballot.

(5) *Other Business.* Other business may be brought before the meeting only upon written request submitted to the Secretary of the Association at least 7 days prior to the date of the meeting. However such a written request may be waived at the meeting if agreed by a majority of the owners in attendance.

(6) *Adjournment.*

(g) *Conduct of Special Meeting.* The President of the Association shall act as chairman of any special meetings of the Association. The chairman shall call the meeting to order at the duly designated time and the only business to be considered at such meeting shall be in consideration of the matters for which such a meeting was called, as set forth in the notice of special meeting.

### **Article 3** **Board of Managers**

**Section 3.1 *Management.*** The affairs of the Association shall be governed and managed by the Board of Managers. The initial board shall be comprised of 3 members. No person shall be eligible to serve as a Manager that is not an owner.

**Section 3.2** No single lot may be represented by more than one person on the board of managers

**Section 3.3 *Terms of Office.*** Members of the Board of Managers are elected to terms as follows: 1 for 1 year, 2 for two years, 2 for three year terms Each Manager shall hold office throughout the term of office until his successor is elected.

**Section 3.4 *Removal of Managers.*** A Manager or Managers may be removed without cause by vote of the majority of the owners at a special meeting of the owners duly called and constituted for such purpose. In such case his successor shall be elected at the same meeting from eligible Owners nominated at that meeting. A Manager so elected shall serve until the next annual meeting of the owners and until his successor is duly elected.

**Section 3.5 *Duties of the Board of Managers.*** The Board of Managers shall provide for the Administration of the subdivision, the maintenance of common areas, enforcing restrictions within the subdivision. As well as collection and disbursement of dues. These duties include but are not limited to:

- (a) Assessment and collection of assessments from owners;
- (b) Maintain common areas;
- (c) Enforcing restrictions;
- (d) Preparation of proposed annual budget. A copy that is to be mailed to each owner at the same

time notification is made of annual meeting;

(e) Preparing and delivering annually to the owners a full accounting of all receipts and expenses incurred in the prior year. Accounting shall be delivered simultaneously with delivery of the proposed annual budget for the year;

(f) Keeping a current, accurate and detailed record of receipts and expenses in the prior year; and

(g) Procuring and Maintaining insurance required under the Restrictions and Protective Covenants and such other insurance coverage as the board, in its sole discretion may deem necessary or advisable.

**Section 3.6 Powers of the Board of Managers** The Board shall have such powers as are reasonable and necessary to accomplish the performance of their duties. The powers include, but are not limited to, the power:

(a) To purchase such equipment, materials, and labors services as may be deemed necessary by the board of Managers;

(b) To employ legal counsel, contractors, accountants that may be necessary in the judgment of the Board of Managers for the business affairs of the subdivision;

(c) To employ, designate, discharge and remove such personnel as in the judgment of the Board of Managers may be necessary for the maintenance of common areas;

(d) To include the costs of all the above and foregoing expenses and to pay all of such costs therefrom;

(e) To open and maintain a bank account, officers that have access to accounts are to be bonded at the Association's expense; and

(f) To adopt, revise amend and alter, from time to time rules and regulation with respect to use, occupancy, operation and enjoyment of the property.

**Section 3.7 Limitation on Board Action.** The authority of the Board to enter into contracts shall be limited to contracts involving a total expenditure of less than \$2500.00 without obtaining the prior approval of the majority of the owners, except that in the following cases such approval shall not be necessary:

(a) Contracts for replacing or restoring portions of the common areas damaged by fire or other causality where the costs thereof is payable from insurance proceeds actually received;

(b) Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget as approved by the Owners at the annual meeting; and

(c) Expenditures necessary to deal with an emergency condition in which the Board of Managers reasonable believes there is insufficient time to call a meeting of the Owners.

**Section 3.8 Compensation.** No Manager shall receive any compensation for his services as such except to such extent as any be expressly authorized by a majority of the Owners.

**Section 3.9 Meetings.** Regular meetings of the Board of managers may be held at such time and place by a majority of the Managers. The Secretary is to give notice of such meetings 5 days prior to the date of the meeting, personally, electronically, or by mail

**Section 3.10 Quorum.** At all board meetings a majority of the managers shall constitute a quorum for the transaction of business and the votes of the majority of the managers present at the meeting at which a quorum is present shall be the decision of the Board.

**Section 3.11 Non liability of Managers.** The Managers may not be liable to the Owners or any other person for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Managers, except for their own individual willful misconduct, bad faith or gross negligence. The Association shall indemnify and hold harmless and defend each of the Managers against any and all liability to any person, firm, or corporation arising out of the contracts made by the Board on behalf of the subdivision, or Association unless any such contract shall have been made in bad faith to the provisions of restrictions or by-laws. It is intended for the managers to have no personal liability with respect to any contract made by them on behalf of the subdivision.

**Section 3.12 Additional Indemnity of Managers.** The Association shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a manager of the association, against the reasonable expenses, including attorneys fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein.

#### Article 4 Officers

**Section 4.1 Officers of the Association.** The principal officers of the Association shall be the President, Secretary, Treasurer, all of whom shall be elected to the Board of Managers. No more than 1 person shall hold each position. The Board of Managers may require the President, Treasurer, and such other officers as the Board deems necessary to obtain surety bonds, at the expense of the Association, indemnifying the Association against larceny, theft, embexxlement, forgery, misappropriate, and other acts of fraud and dishonesty, in such sums and with such sureties as may be approved by the Board of Managers.

**Section 4.2 Election of Officers.** The officers of the Association shall be elected annually by the board at the initial meeting of each new Board.

**Section 4.3 *The President.*** The President shall be elected from among the Managers and shall be the chief executive Officer of the Association. He shall preside at all meetings of the Association and of the Board, shall have and discharge all the general powers and duties usually vested in the office of President or chief executive officer of an Association. Including, but not limited to the power to appoint committees from among the Owners as he deems necessary to assist in the affairs of the Association and to perform such other duties as the Board may from time to time prescribe.

**Section 4.4 *The Secretary.*** The secretary shall be elected from among the Managers. The secretary shall attend all meetings of the Association and of the board and shall keep or cause to be kept a true and complete record of the proceedings of such meetings. Shall perform other duties as set forth by the board. The Secretary shall specifically see that all notices of the Association or the board are duly given, mailed or delivered, in accordance with these by-laws.

**Section 4.5 *The Treasurer.*** The board shall elect from the Managers a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association and who shall perform such other duties incident to the office of Treasurer. That person shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Association. He shall immediately deposit all funds of the Association coming into his hands in some reliable bank or other depository to be designated by the board and shall keep such bank account or accounts in the name of the association.

## **Article 5** **Accounting and Assessments**

**Section 5.1 *Annual Accounting.*** Annually, after the close of each fiscal year of the Association and prior to the date of the annual meeting of the Association the Board shall cause to be prepared and furnished to each Owner a financial statement, said statement shall show all receipts and expenses received incurred and paid during the preceding fiscal year.

**Section 5.2 *Proposed Annual Budget.*** Annually, on or before the annual meeting of the Association, the Board of Managers shall cause to be prepared a proposed budget for the current fiscal year estimating the total amount of Common Expenses for the current fiscal year and the estimated surplus or deficit as of the end of the current budget year. The Board shall furnish a copy of such proposed budget to each owner at or prior to the time of the annual meeting. The annual budget is to be approved in whole or part or amended at the annual meeting. The budget is to contain assessments, reserve fund, general fund and any expenditures that occur in the operation of the Associations business. In the event there is no annual budget approved by the Owners for the current year, the Owners shall continue to pay regular assessments based upon the last approved budget or, at the option of the Board, based upon 110% of such last approved budget as a temporary budget.

**Section 5.3 *Regular Assessments.*** The annual budget as adopted by the Owners shall, based on the estimated cash requirement for the expenses in the current fiscal year as set forth in said

budget and contain a proposed assessment against each lot based on the number of lots in the subdivision. The regular assessment against each lot shall be paid in advance and made to the board of Managers from the Owners annually.

**Section 5.4 *Special Assessments.*** In the event unexpected common expenses occur, the Board at such time and without approval of the Owners, the Board of Managers shall have full right, power and authority to make special assessments which shall become a lien on each lot as well as a personal obligation of each individual lot owner. Special assessments may be used to pay for capital expenditures to pay for the cost of any repair or construction of damage caused by fire or other causality or disaster to the extent insurance proceeds are insufficient therefore.

**Section 5.5 *Failure to pay assessment.***

(a) No Owner shall except himself from paying regular assessment and special assessments, or from contributing toward the expenses of the administration and of maintenance and repair of common areas, and toward any other expenses. Each Owner shall be personally liable for the payment of all assessments and special assessments when due. Assessments will also be considered a personal obligation against the Owner. On or before Jan 15<sup>th</sup>, Owners will be mailed the assessment invoice, in which there will be 30 days to pay assessment. After the 30th day a late fee of \$10 per month, prorated to the date paid will be assessed and a delinquent notice/intent to turn over to the Association's Attorney will be sent to the owners address. On the 46th day or, as soon a practical, all delinquent accounts shall be turned over to Association's Attorney for collection. If turned over to the Association's Attorney for collection, the Owner is responsible for all attorney fees and collection costs, including but not limited to filing fees, postage, copy, and other fees. The President or Treasurer may extend this deadlines in special circumstances, as they see fit.

**Article 6**

**Restrictions and Protective Covenants**

The Restrictions and Protective Covenants for Lewis and Clark Subdivision were recorded as Instrument Nos. 200418160 and 200506924, Restrictions and Protective Covenants for Lewis and Clark Subdivision Section II were recorded as Instrument No. 200612769, and the Restrictions and Protective Covenants for Lewis and Clark Subdivision Section III were recorded as Instrument No. 200703860 and are adopted and incorporated by reference in these By-Laws.

**Section 6.1 *Restriction Violations.***

The Association shall issue a courtesy notice for all violations of the Restrictions and Protective Covenants asking for the violation to be corrected within seven (7) days of the date of the notice. All violations not corrected within seven (7) days shall cause a final warning letter to be issued to stating the fine for the violation and giving a final twenty-four (24) hours to correct the violation. Fines not paid shall be turned over to the Association's attorney for collection and the attorney fees and collection expenses shall be added. Fines and any and all collection expenses shall be a personal obligation of the Owner as well as a lien on Owners property. Fines

shall be issued in accordance with the attached "Fine Schedule" attached hereto and incorporated by reference.

**Article 7**  
**Miscellaneous**

**Section 7.1 *Fiscal year.*** The fiscal year of the Association shall begin on the first day of January in each year and end on the 31st day of December.

**Article 8**  
**Amendment to By-Laws**

Amending these By-Laws are at the discretion of the Board of Managers may be done with a majority vote of the Mangers, and shall be recorded.



## FINE SCHEDULE

### *Parking on street / Trailers, campers, boats in driveway*

Letter sent giving 5 day notice to correct problem, after 5<sup>th</sup> day fine will be levied at \$25.00 the first day and \$5.00 per day thereafter. After the 7<sup>th</sup> day of fines the car will be towed at owner's expense. Trailers will be fined at the same rate.

### *Home and Yard Maintenance*

Letter sent to homeowner giving 7 day notice to correct problem. After the 7<sup>th</sup> day a fine will be levied at \$10.00 per day until the 14<sup>th</sup> day. On the 15<sup>th</sup> day a contractor will be contacted to correct the problem at a rate to be agreed upon between H.O.A. and Contractor. For which the homeowner shall be responsible.

### *Pets*

Pets running loose in the subdivision are subject to be picked up by Animal Control. Also, the owners are subject to the leash laws.

\*Fines and any and all collection expenses shall be a personal obligation of the Owner as well as a lien on Owners property.