



**BYLAWS OF
CEDAR LAKE ESTATES HOMEOWNER ASSOCIATION
As amended 09/18/2018**

At a duly noticed meeting of the Board of Directors, having all members of the Board present, which meeting occurred on 09/18/2018, these Bylaws of Cedar Lake Estates Homeowner Association were adopted. All previous Bylaws are rescinded.

**Article I
Office, Records, Seal, Digital Presence**

1. Registered Office and Agent. The Corporation shall have and continuously maintain a registered office and a registered agent in the State of Missouri. The registered agent of the Corporation is named by the Board of Directors and reflected in filings with the State of Missouri Secretary of State (<https://www.sos.mo.gov>).

2. Records. The Corporation shall keep correct and complete books and records of account, shall keep minutes of the proceedings of its Board of Directors and of committees having any of the authority of the Board of Directors.

3. Seal. The Association may adopt a corporate seal. The seal may be used by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

4. The Board of Directors shall periodically review and specify a digital communication strategy for the Association.

**Article II
Definitions**

1. Association. The term "Association" shall mean or refer to the corporation commonly known as the Cedar Lake Homeowners Association.

2. Board. The term "Board" shall mean the Board of Directors of the Association.

3. Common Areas. The term "Common Areas" shall mean any property within Cedar Lake Estates which is identified on the Plats of Cedar Lake Estates.

4. Director. The term "Director" shall mean individuals elected by Members to serve on the Association's Board of Directors.

5. Good Standing. The term "Good Standing" shall mean or refer to Members with no outstanding assessments.



6. Lot. The term "Lot" shall mean or refer to any numbered plot of land shown upon any recorded subdivision Plat of Cedar Lake Estates.

7. Members. The term "Members" shall mean or refer to each Owner entitled to membership in the Association.

8. Officers. The term "Officers" shall mean individuals elected by Directors to serve as an Officer of the Association.

9. Owner. The term "Owner" shall mean or refer to the recorded owner, whether one or more persons or entities, of the simple title to a Lot. If a Lot has one or more owners, they are considered collectively the Owner. The term "Owner" shall not mean the trustee or beneficiary of a deed of trust unless and until such individual or entity has acquired fee simple title to such Lot pursuant to foreclosure or a deed in lieu of foreclosure.

ARTICLE III

Association Membership, Voting, Common Area Access

1. Membership. Association Membership is open to all Owners within Cedar Lake Estates, a subdivision of the City of Smithville, Missouri. Membership shall be deemed to be conveyed by any instrument which transfers title to a Lot to an Owner, regardless of whether such instrument mentions or describes Association membership. Renters are not considered owners or members.

2. Voting. Members in Good Standing shall be entitled to one vote for each Lot which they own. When more than one person owns any Lot, all such persons shall be entitled to cast only one (1) vote for the Lot, and the vote shall not be fragmented but shall be exercised as the owners among themselves determine. In the event multiple owners are unable to determine among themselves how the vote shall be exercised, and if more than one person casts differing votes for any one Lot, whether in person or by proxy, then the votes shall be disregarded and the presence of any of the Owners shall be disregarded in determining whether a quorum is present. In no event shall more than one vote be cast with respect to any one Lot.

3. Proxies. Each Member in Good Standing may vote by proxy. All proxies should be delivered to the Association Secretary prior to the start of a Member meeting, be in writing, describe the issue(s) for which the proxy is to be exercised, contain an expiration date, and be signed by the Member. Any proxy not meeting these requirements will be disqualified. Moreover, the Secretary shall confirm the Member is in Good Standing prior to counting the proxy vote. Should ownership of any Lot for which a proxy has been granted transfer prior to the stated expiration date, the proxy will be terminated. Only one proxy vote per Lot per issue may be exercised.



4. Access to Common Areas. Common Area property and amenities are maintained for the benefit of Members in Good Standing and their guests.

ARTICLE IV Member Meetings

1. Annual Meetings. An annual meeting of Members shall be held each year at a time and place selected by the Board of Directors. The agenda shall include, but may not be limited to, election of Directors, review of approved budget, capital improvement plans, Treasurer report, and announcement of annual assessments.

2. Special Meetings. The Board may call a special Member meeting at any time for any reason. The Board is obligated to schedule a meeting upon receiving a written request of one-fourth of all Members in Good Standing. The purpose of the meeting must be stated in the request so proper notice can be provided.

3. Notice of Meetings. Notice of each Member meeting shall be given by the Association's Secretary by posting to the message board at the clubhouse office and via approved Association electronic media channels, and by First Class mail to Members who have not provided means for electronic notice. Notice of Membership meetings should be provided not less than 15 days prior to the scheduled date. The notice shall specify the place, day and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

4. Quorum. Representation, either in person or by proxy, of one-tenth of all votes that could legally be cast shall constitute a quorum. If, however, a quorum is not present or represented by proxy at any meeting, the Members entitled to vote at the meeting shall have the power to suspend the quorum requirement with a 76 percent or greater affirmative vote. The existence or absence of a quorum and parliamentary action to suspend, including vote results, will be recorded by the Secretary in meeting minutes. In cases where the Quorum requirement is not satisfied or not suspended, the meeting will be terminated with no further action required by the Board.

5. Minutes. The Secretary of the Association shall record minutes of Member meetings. The minutes will be available through approved digital communication channels.

ARTICLE V Board of Directors

1. Number. The Board of Directors shall be comprised of five persons. All Directors must be Members of the Association in Good Standing.



2. Election. Directors will be elected to two-year terms with staggered terms so that two Directors are elected in even-numbered years and three Directors are elected in odd-numbered years.

3. Vacancies. Board of Director vacancies will be filled by simple majority vote of remaining Directors. The successor Director will serve out the unexpired term.

4. Compensation. Directors will serve without compensation. Expense reimbursements must be approved by the Board prior to payment.

5. Committees. The Board of Directors may designate one or more committees which shall consist of two or more Directors. Such committees shall be designated by resolution of the Board of Directors and shall have the authority of the Board of Directors in the management of the Association to the extent provided in said resolution. Established committees shall submit reports to the Board of Directors quarterly or more frequently as warranted. The content of these reports will be included in Board meeting minutes.

ARTICLE VI

Meetings of the Board of Directors

1. Place of Meeting. All meetings of the Board of Directors, annual, regular, or special, will be held at the clubhouse office located at 405 Wright Valley Road, Smithville, Missouri 64089.

2. Annual Meetings. The annual meeting of the Board of Directors shall be held within 14 days of the annual Member meeting. The agenda for the annual meeting shall include, but not be limited to, review of Association Bylaws, operational policies and procedures, current budget, existing contracts, and capital improvement plans.

3. Special Meetings. The Board may call a special meeting at any time for any reason.

4. Notice of Meetings. Notice of each Board meeting shall be given by the Association's Secretary by posting to the message board at the clubhouse office and via approved Association electronic media channels. Notice of Board meetings should be provided not less than 15 days prior to the scheduled date. The notice shall specify the place, day and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting. Board meetings are open to all Members in Good Standing.

5. Quorum. A simple majority of Directors shall constitute a quorum. Directors may participate in any meeting of the Board by means of conference telephone, video calls, or internet enabled means whereby all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall constitute Director presence for determining a quorum. Board meeting minutes must reflect fact a quorum



existed. Actions of Directors taken in meetings where a quorum is present shall be considered official and binding on the Association.

6. Minutes. The Secretary of the Association shall record minutes of all Board meetings. All decisions (approval, rejection, or deferral) must be recorded. No meeting minutes are considered official until approved by the Board. Following approval, Board minutes will be posted per the Board-approved communication policy.

ARTICLE VII Officers

1. General. The Officers of the Corporation shall consist of a President, Vice President, Secretary, and Treasurer and such other positions as the Board may designate from time to time. The Officers shall be Members of the Board of Directors. No single person can hold more than one Officer position.

2. Election. Officers will be elected at the annual Directors' meeting to one-year terms.

3. Vacancies. Officer vacancies will be filled by simple majority vote of the Board. The successor Officer will serve out the unexpired term.

4. Compensation. Officers will serve without compensation. Expense reimbursements must be approved by the Directors prior to payment.

5. President. The President shall preside over all Member and Board meetings. The President shall be the chief executive of the Association and shall see that all orders and resolutions of the Board are carried into effect, execute all documents requiring a seal under the seal of the Association, and have general duties, powers and responsibilities outlined by the Board.

6. Vice President. The Vice President shall work in cooperation with the President, perform such duties as the Board of Directors shall assign to the Vice President, and in the absence or incapacity of the President, shall be vested with all the powers and perform all the duties of the office of President.

7. Secretary. The Secretary shall attend all Member and Board meetings and shall record or cause to be recorded all votes taken and the minutes of all proceedings thereof in the minute book of the Association to be kept for that purpose. The Secretary shall give or cause to be given notice of all Member and Board meetings, shall be the custodian of all the books, papers and records of the Association and of the corporate seal, shall affix the seal when authorized by the Board of Directors or the President to all proper instruments, attesting same, and at such reasonable times as may be requested, shall permit an inspection of the books, papers and records of the Association by any Director.



As general guidance, minutes should reflect:

- Establishment of a quorum
- Identification of old business item
- Identification of new business items
- Motions and seconds
- Vote results
- Committee reports
- Summary of invited guest presentations

Discussions and decisions (approval, rejection, or deferral) made via any electronic means must be reported. Board minutes are not considered official until approved at the next meeting. Following approval, minutes are posted pursuant to the Board-approved communication policy.

8. Treasurer. The Treasurer shall oversee safekeeping of Association funds and maintenance of full and accurate accounts of receipts and disbursements in books belonging to the Association. The Treasurer shall keep or cause to be kept all other books of account and accounting records of the Association and shall deposit or cause to be deposited all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse or permit to be disbursed the funds of the Association, as may be ordered or authorized generally by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Board of Directors, whenever they may require it, an account of all transactions under the Treasurer's jurisdiction and the financial condition of the Association. The Treasurer shall render an annual report of the financial condition of the Association to Members and the Board at their respective annual meetings.

ARTICLE VIII Operations

1. Fiscal Year. The Association's fiscal year shall run January 1 to December 31.

2. Asset Inventory. An inventory of Association physical assets shall be maintained and updated annually.

3. Capital Improvement Plan. The Board shall establish a multi-year capital improvement plan. The plan should be presented at the annual meeting of Association Members.

4. Operating Budget. The Board shall prepare a budget prior to setting annual assessments. The budget will be approved by the Board and presented at the annual meeting of Association Members. The operating budget will include capital improvement



plan items for the year. The Treasurer will present the Board with actual-to-budget comparisons no less frequently than quarterly.

5. Annual and Special Assessments. Board-approved assessments will be presented at meetings of the Association Members

6. Use of Funds. The Board shall apply funds to the following:

- a) Operating costs and expenses of the Association;
- b) Planning, design, acquisition, improvement, construction, maintenance and equipping of Common Property Improvements;
- c) Association programs and services conducted on or in the Common Property;
- d) The payment of principal and interest when due on all loans made to the Association;
- e) The payment of all real estate, personal property, and corporation taxes and assessments, if any, separately levied upon or assessed against the Association or any property owned by the Association;
- f) The payment of all premiums and charges for all policies of insurance or surety bonds, as deemed by the Board to be necessary and appropriate;
- g) Such other expenses and charges as are determined by the Board, in its subjective good faith discretion, to be reasonably incidental to maintenance of the Association and the Common Property.

7. Reserve Funds. The Board shall not be obligated to spend in any calendar year all sums collected, and the Board shall not be obligated to apply any surplus to the reduction of annual assessments in succeeding years. Maintenance of a reserve balance serves to insulate the Association from unexpected expenditures and/or fund planned capital improvements.

8. Borrowing Authority. The Board is granted the right and power to borrow funds to design, acquire, improve, construct, maintain, or equip Common Property Improvements. This includes:

- a) Assign or pledge current and future revenues received by the Association; and
- b) Mortgage Common Property Improvements.

9. Taxes. The Treasurer is authorized to oversee preparation of tax returns and payment of taxes on behalf the Association.



10. Corporate Fees. The Treasurer is authorized to oversee submission of information and payment to the State of Missouri to keep the Association in good standing.

11. Financial Recordkeeping. A double entry fund accounting system will be maintained. Assessments or other revenue checks are to be written to “Cedar Lake Estates Homeowner Association” and not to a single individual. Collected funds shall be deposited on a timely basis. The President and Treasurer are authorized to pay expenses of the Association. Any request for reimbursement not supported by receipts in excess of \$50 requires approval of the Board prior to payment. Any expense over \$250 will require the check to be signed by both the President and Treasurer. The use of cash to pay expenses is prohibited. The Treasurer will present the Board with actual-to-budget comparisons no less frequently than quarterly. Financial reports consisting of income, expense, cash balance, and reserve account balance will be presented at Board meetings.

12. Insurance. The Board shall secure adequate property and casualty insurance on behalf of the Association. The Board is also authorized to purchase Directors and Officers insurance on behalf of the Association.

13. Contracts. The Board is authorized to enter into contracts on behalf of the Association. Only the President and Board members are authorized to sign contracts on behalf of the Association. All contracts must be in the name of Cedar Lake Estates Homeowner Association. Bids are required to include a written description of services to be rendered, applicable timeframes, regulatory compliance such as building permit or health department inspection, and cost. Evidence of bonding and workers’ compensation insurance is also required. As necessary, the contract should provide for the Association to receive a waiver of liens from the contractor upon final payment. While not always possible, good faith effort should be made to obtain more than one bid.

14. Legal Counsel. The Board may engage legal counsel at its sole discretion.

15. Property Management Company, The Board may engage a property management company to oversee any portion of Association affairs and property.

16. Collections Agency. The Board may engage a collections agency at its sole discretion.

17. Depository Institution. The Board shall periodically review and designate a depository institution for the Association.

18. Right to Inspect. Members in good standing shall have the right to review Association financial records at the clubhouse. A request should be submitted in writing, following which a mutually agreeable date and time will be set. Documents protected by attorney-client privilege will not be made available. Any fees incurred by the Association



will be paid by the Member requesting record access. All records will remain in the custody of the Association.

19. Conflicts of Interest. A conflict of interest exists whenever any contract, decision, or other action taken by or on behalf of the Association provides potential financial gain to Directors or Officers, including spouses, children, parents, in-laws, siblings (by blood or marriage), or business interests. Officers and Directors are required to disclose all real or perceived conflicts of interest and abstain from voting on all related motions. The Secretary shall record disclosures and abstentions in the minutes.

ARTICLE IX Indemnification of Directors and Officers

1. Indemnification and Advancement of Expenses. The Directors and Officers of the Association shall be indemnified to the maximum extent permitted by law. Expenses incurred by a Director or Officer of the Association in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director or Officer to repay such amount if it is ultimately determined that the Director or Officer is not entitled to be indemnified by the Association as authorized by the Kansas General Corporation Code. The foregoing right of indemnification and advancement of expenses shall in no way be exclusive of any other rights of indemnification and advancement of expenses to which any such Director or Officer may be entitled by agreement, vote of Members or of disinterested Directors, or otherwise.

2. Continuation of Rights. All rights of indemnification and advancement of expenses under these Bylaws and under the Kansas General Corporation Code shall continue as to a person who has ceased to be an Officer or Director and shall inure to the benefit of the heirs, executors and administrators of such a Director or Officer.

3. Indemnification Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer, employee or agent of the Association against any such expense, liability or loss, whether or not the Association would have the power to indemnify such person against such expense, liability or loss under the Kansas General Corporation Code.

ARTICLE X Assessments and Fines

As more fully provided in the recorded covenants, each Member is obligated to pay to the Association assessments that are secured by a continuing lien upon the assessed Lot. The Board of Directors shall have complete discretion and control over all assessments and fines. If an assessment is not paid within 30 days after the



delinquency date, the assessment shall bear interest from the date of delinquency at the rate of 12 percent per annum, and the Association may bring an action at law against the Member personally obligated to pay the same or foreclose the lien against the Lot, and interests costs and reasonable attorneys' fees of any such action shall be added to the amount of the assessment. The Board shall periodically review and specify a fines schedule which will include a notification and communication process in addition to remedies including fine amounts and triggers for legal action. No Member may waive or otherwise escape liability for assessments and fines by non-use of the Common Areas or abandonment of a Lot.

ARTICLE XI Amendments

The Board of Directors shall have the power to make, alter, amend and repeal the Bylaws of the Association at any regular or special meeting of the Board.

CERTIFICATE

I, the undersigned, hereby certify that I am the Secretary of Cedar Lake Estates Homeowner Association, a Missouri non-profit Corporation, and the keeper of its corporate records; that the foregoing Bylaws were duly adopted by said Corporation's Board of Directors as and for the Bylaws of said Corporation, effective 09/18/2018, that the foregoing constitute the Bylaws of said Corporation, and that such Bylaws are now in full force and effect.

Dated: 09/18/2018

Secretary (Print)

President (print)

Signature

Signature

Date

Date