

**Apple Canyon Lake
Property Owners Association**



Board Approved Policies

JANUARY 2019

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This document, along with any additions or amendments throughout the year, is also available at www.applecanyonlake.org/operations/governing_docs

Please note changes here:

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Please note changes here:

APPEALS: GUIDELINES FOR APPEALS TO THE BOARD OF DIRECTORS

The Board of Directors will review an appeal forwarded from the Appeals Board.

- 1 Decisions will require a simple majority vote.
- 2 The Board of Directors will meet in executive session with the General Manager to receive a briefing on the pending appeal.
- 3 They will have a copy of the citation in question, the appeals file, and any available previous warnings or fines that have been recorded against the petitioner, and the written statement from the petitioner giving reasons why the citation is being challenged.
- 4 The Board of Directors will hear the appeal in executive session with both sides of the issue being present.
- 5 The President will open the hearing with an explanation of the appeals hearing process:
 - a) At this time, if new evidence is presented, the Board will recognize and accept this for consideration.
 - b) The Board may, at their option if new evidence or circumstances warrant, return the case to the Appeals Board.
 - c) The ACL Safety & Security Department, beginning with an uninterrupted presentation, will present the charges and state which rule or regulation has been violated, explaining the circumstances, followed by an opportunity for questions by the Board.
 - d) The petitioner, or their representative, may give their uninterrupted response, also followed by an opportunity for questions by the Board.
 - e) Witnesses that were present at the Appeals Hearing are allowed, if recognized by the Board.
 - f) The Board will recognize no other person.
 - g) After an opportunity at rebuttal arguments by ACL Safety & Security, the petitioner may have a final statement with final questions by the Board.
 - h) The Board will deliberate in closed session.
 - i) The Board shall have all authority in its final decision to amend the decision of the Appeal Board.
 - j) The final decision will be given directly to the petitioner in open session, with both parties represented.
 - k) The petitioner or their representative will be informed at this time, if a citation is upheld, that the payment is due within 15 days. Fines which remain outstanding after fifteen days may result in membership privileges to be suspended for a period not to exceed 90 days or until the fine is paid, whichever is longer.
 - l) If the petitioner or their representative fails to make an appearance at their scheduled hearing, the petitioner will lose their right to appeal and the citation will be upheld.

Adopted January 17, 2004

Revised November 15, 2008

Revised August 20, 2019

APPEALS INVOLVING SITTING BOARD MEMBER

Appeals involving a sitting Board member or Board member's family will be heard by a panel of five (5) members consisting of former members of the Board of Directors appointed by eligible members of the Executive Committee of the sitting Board of Directors. Eligible members of the Executive Committee shall be members not personally associated with the Board member appealing.

Adopted November 15, 2008

THE APPLE CORE: ACCEPTANCE OF MATERIAL

The Apple Core is published by the ACLPOA for the benefit of its Members - to keep them informed about developments with respect to the lake, facilities, activities and finances; to report Board decisions; to provide a handy reference about rules, fees and coming events; and to afford a means of communication on questions and issues of importance to property owners.

The Editorial Review Committee shall consist of a member of the Board, who shall be the Chair; the General Manager, who shall be Vice-Chair; the Editor of *The Apple Core*, who shall be the Secretary; and such other members as the Board may appoint from time to time. This Committee shall prepare policies for the acceptance of material to be printed in *The Apple Core*, including, but not limited to, letters to the editor and policies for advertising material printed, which policies shall be submitted to the Board for approval annually.

The General Manager is responsible for having the paper produced. The Communications Director is the Editor. **Any and all editorial material (copy other than paid advertising) must be submitted to the Editor's office.**

The Editorial Review Committee will determine whether or not letters, advertising material or any other material submitted for publication should be rejected. If material is rejected, property owners will be notified and told cause of rejection.

LETTERS TO THE EDITOR:

1. Letters from Property Owners are welcome.
2. Letters to the Editor must be:
 - a. Submitted and signed by a Property Owner.
 - b. Received by the 15th of the month previous to publication.
 - c. Confined to 250 words or less.
3. The following guidelines for treatment of letters have been adopted for the purpose of encouraging expression of views with the focus on discussion of issues not people. Publication of letters does not necessarily imply agreement or endorsement by the Association or the Board of Directors.
 - a. Whenever possible, letters expressing views on both sides of an issue will be published at the same time.
 - b. Constructive criticism will be accepted. Positive suggestions for improvement are encouraged.
 - c. Letters must be in good taste. Those containing offensive or derogatory language, libelous statements or expressing personal grievances or conflicts will not be published.
 - d. Nothing in these guidelines should be construed to prohibit references to people so long as an issue of importance is the focus of the letter.
 - e. Editorial comments will be limited to factual clarification or update on the matter at issue. No point of view will be expressed.
 - f. With respect to Board Elections:
 - 1) Candidates will be presented in the February issue.
4. A special section for questions regarding candidates will be included in the February issue of *The Apple Core*. Questions regarding candidates must be received thirteen (13) days prior to copy deadline in order to provide the candidates with the opportunity to respond in the same edition. Candidate responses must be received two (2) days prior to copy deadlines.

Adopted May 16, 1998
Reviewed November 15, 2008

Amended April 21, 2001
Amended November 19, 2011

Amended September 20, 2001

THE APPLE CORE: PURCHASE OF ADVERTISING SPACE

The Apple Core accepts commercial advertising but assumes NO responsibility for its content. Further, acceptance does NOT represent or imply endorsement of the advertiser's product or service, either by *The Apple Core* or the ACLPOA.

ACLPOA reserves the right to reject items when there is reason to question whether the product or service advertised is in keeping with the conservation, safety or security interest of the ACL property owners.

ADVERTISING MATERIAL:

1. The Association will allow property owners to purchase up to one (1) page of advertising per issue.
2. Advertising material may NOT contain offensive language, pictures or libelous statements.
3. The advertising may be for the express purpose of allowing expressions of points of view on positions that may or may not be in accordance with those advanced by the Apple Canyon Lake Property Owners Association or its Board of Directors.
4. Advertising copy must be in written form and received by the advertising deadline.
5. Political advertising will be accepted with the exception of advertising regarding ACLPOA Board of Directors candidates.

ADVERTISING STATEMENTS IN CONFLICT WITH KNOWN FACTS WILL BE PRINTED IF THEY MEET THESE CRITERIA, BUT WITH CLARIFYING EDITORIAL COMMENTS.

Adopted March 18, 1995

Amended April 21, 2001

Reviewed November 15, 2008

BALLOT MAILING

In keeping with the "one vote per lot" requirement, all ballots will be mailed only to the voting member.

Adopted August 15, 1987

Reviewed November 15, 2008

Amended February 18, 2012

BEAVER TRAPPING

The General Manager is authorized by the Board of Directors to work with the District Wildlife Biologist in the development and implementation of a beaver control program when necessary.

Adopted April 17, 1999

Amended November 15, 2008

BOARD OF DIRECTORS/EMPLOYEE

It shall be the policy of the Association that no member of the Board of Directors' immediate family may serve as a department head or higher position on the staff of the Association.

Adopted May 19, 1990

Reviewed November 15, 2008

BOARD OF DIRECTORS: ETHICS CODE GUIDELINES

The Board of Directors of Apple Canyon Lake Property Owners Association believes that it is important for its Board Members and employees to place the interest of the Association above their personal business interests and those of their relatives, related entities, business associates and friends in all matters relating to the business of the Association. However, the Board does understand and recognize that there are instances when conflicts of interest cannot be avoided, or where it is in the best interest of the Association to deal with Board Members or employees in carrying out the business of the Association.

In the event of a potential conflict of interest, the following requirements must be met:

1. The Board Member or employee must disclose the potential conflict of interest and the nature and extent of the conflict to the Board prior to any decision of the Board.
2. The Board Member shall not vote on the issue involving a potential conflict of interest.

3. The Board Member shall not be counted in determining a Board quorum.
4. Where a conflict of interest exists with an employee, a purchase of goods and or services in excess of \$300 per year shall be approved by the Executive Committee of the Board of Directors. This policy does not supersede Board policy on Capital Expenditures.

Adopted August 16, 1986

Amended November 15, 2008

Amended February 21, 2009

BOARD: MONTHLY AGENDA

Agenda requests must be received by the General Manager no less than 14 days prior to each scheduled monthly board meeting.

The General Manager and Executive Committee of the Board of Directors of the Association shall collectively decide the agenda for the monthly board meeting at least 10 days prior to the scheduled meeting.

The monthly agenda, narrative, and supporting documents shall be prepared by the General Manager and mailed to board members not less than seven days prior to each scheduled meeting date.

Items not included on the monthly agenda may be submitted for board discussion at the request of at least two board members. In such an event, no final action will be taken on the item except in case of an emergency or an exigent circumstance.

Adopted February 19, 2000

Amended November 15, 2008

Amended December 6, 2008 per Legal Counsel

BOARD ORIENTATION

To ensure the Board is prepared, a Board Orientation will be held each year following the election of the new officers. This orientation will be held within the first two months after the election of officers. All board members will receive the Board Manual as part of the BOD packet, which reviews in detail the responsibilities of the Board of Directors.

Adopted June 20, 2009

BOARD OF DIRECTORS' MEETINGS: STANDING RULES FOR PROPERTY OWNERS' PARTICIPATION

1. During any Board of Directors' meeting, the Chair is authorized to recognize any property owner present for the purpose of speaking to an issue currently being discussed by the Board but that the recognition must be approved by at least two other directors.
2. A portion of each Board of Directors' meeting time will be devoted to the hearing of property owner comments on any issue pertinent to ACLPOA.
3. When recognized by the Chair, the property owner who wishes to speak will identify themselves by giving name and lot number.
4. A property owner may speak for no longer than three (3) minutes and may, at the discretion of the Chair, be limited to only one (1) three (3) minute presentation on any one issue.
5. Any property owner, upon written request, will be placed on the agenda of the next Board meeting. This written request must be submitted at least fourteen (14) days in advance of a scheduled Board meeting and must specify the topic(s) that are to be covered in the property owner's presentation. The amount of time allocated to a property owner's presentation will be determined by the Chair and the property owner will be notified of the time limitation, if any.

Adopted March 15, 1986

Amended November 15, 2008

Amended December 6, 2008 Per advice of Legal Counsel

BURNING

All open burning must be reported to Security prior to a fire being started. Security will inform all necessary parties of the event. Open burning is limited to landscape waste. Landscape waste is defined as trees, brush, leaves and vegetative waste from normal yard maintenance.

NOTE: A no-burn order could be in effect, and a violation of the fire district rules as well as the Association policy would apply.

1. **PRIVATE PROPERTY** Burning of landscape waste is restricted to the property of the person reporting open burning.
 - a. Burning of landscape waste must be monitored on the burn site throughout the entire duration of the burning time.
 - b. The burning site must be extinguished completely after the burn. No embers or unburned material that may ignite a new fire will be allowed. The burning area must be secured by either soaking with water and/or covering with soil. It is the responsibility of the property owner doing the open burn to take whatever measures are necessary to ensure that the fire is completely out.
 - c. Burning after dark is permitted only in campfires and fire pits.
2. **GREENWAYS:** Only the Association maintenance staff is permitted to do open burning on greenways unless approved through a greenway stewardship and done by a certified professional.
3. **PRESCRIBED BURNS:** A prescribed burn, such as those used to maintain native prairies, must be done only with the approval of the General Manager and under the direct supervision of ACL staff.
5. **SMOKE NUISANCE CONTROL:** The burning of any material that will produce objectionable odors and/or toxic chemical vapors* will not be permitted.

*Chemical vapors is in reference to emissions resulting from the burning of material other than natural vegetative matter.

6. **VIOLATIONS:** See page 8 of Rules and Regulations.

Amended March 17, 2018

Amended December 15, 2018

Amended December 15, 2018 per Rules & Regulations

BUSINESS RECORDS

Apple Canyon Lake Property Owners Association, Inc. hereby adopts the following policy with regard to property owner access to books and records of the Association:

All property owners are granted access to all of the books and records of the ACLPOA, including the mailing list of all property owners, subject to the following guidelines:

1. The request must be made in writing.
2. It must set forth the specific books and records the property owner wishes to examine.
3. The request must be delivered seven (7) business days prior to the date the property owner seeks the examination.
4. The property owner must specify the purpose for which it is requested and such rationale must be reasonable.
5. The property owner will assure the Association that the information received will be used to no commercial use whatsoever.
6. All examinations of the books, records and lists shall be on the premises of the Association.

Adopted March 18, 1995

Reviewed November 15, 2008

CAPITAL EXPENDITURES

The General Manager is authorized to make capital expenditures that have been approved in the annual budget. All purchases must be supported by a minimum of three comparable price support documents available upon request

or Board approval shall be necessary. Any capital expenditure over \$5,000 that is not specifically approved in the annual budget must be brought to the Board for approval prior to purchase.

Adopted May 19, 2001

Amended November 15, 2008

CASH MANAGEMENT ACCOUNT: RESOLUTION ESTABLISHING

Establish the Cash Management Account at Citizens State Bank or its successor.

Adopted January 15, 1994

Amended November 15, 2008

CHECKS: AUTHORITY TO SIGN ACLPOA CHECKS AND FUND TRANSFERS

The following policy with respect to the authorization and signing of checks and electronic fund transfers is hereby adopted.

1. All Apple Canyon Lake Property Owners' Association checks must have two signatures.
2. All incumbent officers, including the Secretary (General Manager) and incumbent members of the Board of Directors are authorized to co-sign checks and to authorize electronic funds transfers for the Association. Every new Board member shall be expressly authorized by a Board resolution as a person authorized to sign checks or electronic funds transfers, and shall be added to the applicable fidelity or surety bond coverage.
3. Electronic funds transfers may be used to pay for all cash on delivery items. All authorizations for electronic funds transfers shall require two authorized signatures.
4. Automatic electronic transfers may be made for regular monthly bills, such as payroll and utility bills.
5. Internal procedure and controls for signing checks and electronic funds transfers shall be established by the General Manager, who shall periodically report them to the Board.

Adopted November 21, 2009

CHECKS: DEPOSIT OF SECURITY CHECKS

All security deposits received by ACLPOA shall be deposited in ACL accounts. If no damage has occurred, an ACL check will be issued in return.

Adopted April 20, 1991

Amended November 15, 2008

CITATIONS

Citations, not paid within 30 days of issuance, unless requesting an Appeals Hearing within 10 days of receipt of Certified mail, will be published in The Apple Core with name, lot number, violation, and fine until the fine is paid or an appeal decision is rendered. The result of an appeal and/or the paid fine will be published in The Apple Core. Per Article V, Section 3(d) of the Restated Covenants and Restrictions, membership privileges may be suspended for a period not to exceed 90 days if fines remain unpaid.

Adopted March 19, 1988

Amended November 15, 2008

Amended May 18, 2013

CREDIT CARDS

Credit cards may be used at the following ACL Amenities as a method of payment for only the following purchases:

ACL SAFETY AND SECURITY DEPARTMENT: Short Term Dock Rental-Daily, Weekly, Monthly; Trail Cart Rentals; Non-seasonal Campsite Rental-Daily, Weekly; Rental Boats; Counter Sales (Maps, Decals, Numbers)

MARINA CONCESSION: All Merchandise

PRO SHOP: Daily Golf Rounds, Daily Cart Rentals, Food/Beverage, Merchandise, Golf Passes

ASSOCIATION OFFICE: Credit Cards may be used for registration of recreational vehicles, annual [dues] assessments, trash assessment and amenity rentals. An ACL Convenience Fee will be assessed to property owners

paying via credit card for all registration and assessments.

Adopted March 18, 2000
Amended November 15, 2008

Amended July 20, 2002
Amended January 17, 2009

Amended May 17, 2003

[DUES] ASSESSMENTS

1. In January the Association Office mails out the Annual [Dues] Assessments invoices and elective recreational costs incurred in the previous year.
2. [Dues] Assessments, Trash, Seasonal Boat Slips/Boat Registrations, Seasonal Campsites/Camper Registrations, Indoor/Outdoor Golf Cart Storage, and Owner Amenity Registration Fee(s) (OARF) are all due March 1. [Dues] Assessments received past March 1 will be considered delinquent. Recreational fees other than those listed above may be paid any time prior to registration or removed from invoice if not participating in the current year.
3. OARF(s) are due and must be paid in full by all property owners by March 1, and prior to any registration of boats, ATVs, passes, etc. being distributed to owners of the lot. All required fees must be paid on all lots owned to use of any ACLPOA rentals, including but not limited to, campsites, boat slips, and boats.
4. If [Dues] Assessments are not paid in full by March 1, a delinquent [Dues] Assessment fee will be charged. The Board of Directors will determine fee annually.
5. Interest, at a rate to be determined by the Board of Directors, will be charged from the date of delinquency, however, no interest will be charged if dues are paid or postmarked before April 1.
6. Envelopes from mailed payments received after March 1 shall be retained for a minimum of one year.

Adopted (No Date Listed)
Amended January 20, 2001
Amended November 20, 2004
Amended November 15, 2008

Amended February 21, 2009
Amended July 17, 2010
Amended November 19, 2011
Amended January 28, 2012

Amended October 19, 2013
Amended August 16, 2014

[DUES] ASSESSMENTS: DELINQUENT [DUES] ASSESSMENTS FEE

The delinquency [Dues] Assessments fee amount is to be assessed on March 2 annually and this fee is to be established by the Board of Directors.

Adopted March 21, 1987

Amended November 15, 2008

Amended July 17, 2010

[DUES] ASSESSMENTS: COLLECTION & FORECLOSURE OF DELINQUENT ANNUAL [DUES] ASSESSMENT

1. If annual assessment, or any other special assessments, remain delinquent 30 days after the scheduled due date of March 1, the assessment will bear interest from the date of delinquency, at a rate per annum as determined by the Board from time to time. This interest will be charged on the outstanding amount retroactive to the due date. If your account is NOT current as of March 1, Board Election materials will NOT be sent to the Voting Member.
2. If annual assessment or special assessments are not paid or postmarked on or before May 1, delinquent accounts will have a lien filed at the Jo Daviess County Courthouse as provided for in Article VI, Section 9 of the Covenants and Restrictions. ALL LEGAL COSTS AND COLLECTION COSTS WILL BE THE SOLE RESPONSIBILITY OF THE PROPERTY OWNER.
3. If annual assessment, or special assessments, are not paid within ninety (90) days of the date on which it is due, written notice shall be sent to every Owner of that Lot or Dwelling at the last address on file at the Association. After June 1, existing delinquent accounts will be turned over to the Association's attorney for collection.
4. If after September 1, the delinquent account balance still exists and no arrangements have been made with

the Association to satisfy the outstanding balance, the process of foreclosure on the recorded lien to obtain a court order authorizing sale of the property to satisfy the delinquent assessment(s) will commence.

- 5. Subsequently, the process of foreclosure on the recorded lien to obtain a court order authorizing sale of the property to satisfy the delinquent assessment(s) will commence.

Adopted June 20, 1998
Amended November 15, 2008

Amended January 20, 2001
Amended February 21, 2009

Amended November 20, 2004
Amended January 28, 2012

FINE FOR UNAUTHORIZED, UNLAWFUL DUMPING AT SOLID WASTE/RECYCLING CENTER

The improper disposal of trash is a violation of state law as defined in Chapter 415 Environmental Safety as a Class B misdemeanor and is a violation of Jo Daviess County Ordinance.

Property owners who drop off trash outside the gates of the solid waste recycling center when the center is closed will be issued a citation and be subject to fines.

1st Offense.....\$100

2nd Offense.....\$200

3rd Offense.....\$300 and the matter will be turned over to law enforcement authorities (Jo Daviess County State’s Attorney/Sheriff).

Property owners who observe the illegal dumping of trash anywhere on the property are encouraged to report such activity directly to the General Manager.

Adopted February 18, 1995

Amended November 15, 2008

HOME BASED OCCUPATIONS

No home-based occupation or profession shall be conducted in any Dwelling, Dwelling Accessory Building or Garage except those expressly permitted by the Board. The Board has adopted section 8-5B-16 of the County Zoning Ordinance regulating Home Occupations, with the exception that no occupation or profession requiring the storage of chemicals shall be allowed.

Adopted December 15, 2018

INVESTMENT POLICY

The major sources of ACLPOA funds are the annual assessment dues paid by property owners, and the fees charged for various services and facility usage. Since funds received by the Association early in the year are used to meet expenses incurred throughout the year, an investment plan is a reasonable method of increasing the funds until they are needed to meet expenses. Also, special purpose funds may not be expended for several years and it is reasonable to provide the Association with a return on these special purpose funds until needed.

PURPOSE: The purpose of this policy is to provide for the investment of funds of the ACLPOA in a prudent manner.

GENERAL POLICY: ACLPOA funds are provided to the Association to be used for the maintenance and improvement of the quality of life in the lake development. Therefore, the investment of funds is not a primary function of the Association and the conservation of funds is paramount when considering investment opportunities.

As part of the northwest Illinois community, the ACLPOA recognizes its responsibility to participate in and support local financial institutions. This policy will be followed unless the overriding considerations of security of funds and types of investments preclude the use of local institutions.

OBJECTIVES: The objectives of the Investment Policy are:

- 1. Provide the available cash necessary to pay bills and expenses on a timely basis.

2. Maximize return on funds not necessary for cash flow needs.
3. Protect the principal invested.

To accomplish these objectives, the following rules should be observed:

- a. Placement of investment funds and their subsequent management should not involve payment of special investment management fees.
- b. Measure cash flow requirements by estimating expenditures and income fluctuations based on historical data and any known variances to determine monthly cash flow needs.
- c. Provide for expenses not met with income through appropriately maturing investments.
- d. Investments will be made by the General Manager through FDIC insured financial institutions in U.S. or Federal Agency Securities or in an insured* savings, with prior approval of the Treasurer.
- e. The ACLPOA Manager is designated as investment officer and is responsible for the execution of this policy, acting with the guidance of and answerable to the Board.
- f. The Board shall receive at least quarterly reports of all investment transactions and a portfolio maturity summary.

*Deposits must not exceed amount insured by FDIC unless secured by U.S. or Federal Agency Securities.

Revised October 1979

Amended November 15, 2008

LEGAL COUNSEL: USE OF

Only the General Manager or the Board President is to contact legal authority on Association matters, not individuals such as committee chairpersons, unless they have first obtained the concurrence of the General Manager or Board President.

Adopted March 21, 1987

Amended November 15, 2008

OWNER AMENITY REGISTRATION FEE (OARF)

Every owner of a lot will be assessed a required Owner Amenity Registration Fee (OARF). This fee is assessed on a per owner basis with spouses counted as one owner. The Board of Directors will determine fee annually. If the recorded deed does not list "husband and wife", "a married couple", etc., a copy of the marriage certificate will be required in order to waive the second fee. Exceptions to the fee payment will only be granted beginning with the year the marriage certificate is provided to the Association. Owners of multiple lots will pay one OARF, but may elect to pay an additional OARF for each multiple lot owned. OARF fee must be paid prior to March 1 by all owners, otherwise registrations will not be completed or guest passes/auto decals issued.

With the exception of new owners, the date of January 1 of each year will serve as the basis for the OARF invoice. No refunds or pro-rating will be allowed. New owners subsequent to January 1 will be charged the OARF on a per owner basis.

Adopted September 17, 2011

Amended January 28, 2012

Amended March 16, 2013

Amended May 18, 2013

PATHWAYS: GUIDELINES FOR MAINTAINING PATHS AND GREENWAY AREAS

Property owners wishing to maintain an existing path by mowing, mulching, or trimming brush or overgrowth which has encroached into the original trail corridor may do so, provided written permission has been granted by the General Manager, prior to performing said maintenance. The equipment/tools allowed for such use shall be limited to power push mowers, riding mowers, string trimmers, loppers and hedge trimmers.

If the request does not fall into the above category, it must be reviewed by the Building/Maintenance Departments and evaluated on the merits as to what benefit said project may have for the Association. Projects endorsed by the inspectors are subject to approval by the Board of Directors. If the project is not recommended by the Building/Maintenance Inspectors the property owner may request an appeal to the Board of Directors by requesting to be

placed on the next Board of Directors meeting agenda. All projects will be reviewed on a case by case basis. The Board may, at its discretion, require such work be performed by Association personnel for a fee, or by a contractor competent to perform same. Certificates of insurance, damage bonds may also be required.

Adopted May 25, 1996

Amended May 19, 2007

Amended September 15, 2007

PATHWAYS: GUIDELINES AND REQUIREMENTS FOR THE DEVELOPMENT OF PATHS AND MAINTENANCE OF GREENWAY AREAS

(Re: Property Owners Access to the Lake Policy)

1. Plans for any proposed path on the Greenway must be submitted to the General Manager, the AECC and the building/Environmental Manager, the Greenway Consultant, and the Conservation Committee will review and recommend to the Board for approval. NO WORK can commence until approval is granted by the Board of Directors for a Greenway Agreement. A NO COST TO ACLPOA MUST BE INDICATED IN THE PROPOSAL if submitted by volunteers. This policy applies to work projects submitted by volunteers, Conservation Committee or ACL maintenance or management
2. Paths crossing the Greenway to water and/or boat docks must be developed by the shortest practical route.
3. There will be only one common path across the Greenway to water and/or boat docks with other lots gaining access along the upper boundary unless terrain makes this impractical.
4. Any material used in the construction of a path must be natural. NO CEMENT OR BLACKTOP will be permitted.
5. In the lay-out of a path, a serpentine route, rather than steps, is to be used if practical. Where necessary, steps will be approved.
6. Shoulders of path must be protected from erosion by use of rock or plantings, including, but not limited to, vetch, ivy, etc.
7. In the construction of a path there will be NO REMOVAL of trees or shrubbery from the Greenway unless recommended by the Conservation Committee and approved by the Board of Directors.
8. Any resting places are to be native material (sawed and shaped tree trunks, native stone). Only Association-placed picnic tables are allowed on Greenways. Seating along paths or on greenways may be of construction materials consisting of recycled material, formed into standard lumber sizes and used according to manufacturer's instructions. These materials shall be considered equivalent to wood with the appearance of such materials to be similar to wood.
9. If terrain requires major modification of original landscape and plantings in the development of a path on the Greenway, the Association's established building permit rules apply. Determination of what is considered a major modification of original landscape and plantings will be made by the ACL Greenway Consultant.
10. It will be necessary for the individuals or contractors performing the work on any such paths to provide a waiver of indemnity to the Association at the time the permit is issued.
11. All Association members developing a path on the Greenway will be required to sign a forfeiture of any claim of ownership at the time the permit is issued.
12. In formulating these Guidelines, it is anticipated the members using paths on the Greenway will treat and maintain them in a responsible fashion. In the event the property owner does not maintain the path, the Association may, at its option, maintain or remove the path.
13. A three year inspection program will be developed and implemented by the Building/Environmental Manager.
14. In order to preserve the integrity and beauty of the common areas, it is necessary that permission be

obtained from the Board of Directors to cut trees or remove the same from the Greenway. It will be necessary for the individuals or contractors performing the work to provide a waiver of indemnity to the Association at the time the permit is issued. Fines shall be assessed for violation.

Adopted November 21, 1987
Amended March 21, 1992
Amended June 21, 2003

Amended May 19, 2007
Reviewed November 15, 2008
Amended July 17, 2010

Amended November 19, 2011

PROPERTY OWNERS ACCESS TO THE LAKE

The Declaration of Covenants and Restrictions state that each lot owner will have access to the lake by use of the reserved common properties. "Common Properties" are to be devoted to common use by the owners. In keeping with the philosophy that each lot owner has access to the lake through the common properties (greenway system) the following guidelines are established:

1. Lot owners may request to construct paths and walkways through the common properties to the lake.
2. The plans for the construction of all paths and walkways and benches, including the techniques to be employed and the materials to be used shall be reviewed and recommended by the Building/Environmental Manager, Maintenance Manager, and Conservation Committee for input on recommendation to the Board of Directors for approval..
3. The Building/Environmental Manager and Maintenance Manager shall implement the Board approved plan for the construction of paths and walkways.
4. In keeping with the concern that access to the lake must be a safe access, the use of steps, with or without hand rails, and a walking surface (including but not limited to gravel, chips, stone, sand, etc.) may be acceptable.
5. The placing of benches or other seating devices on the pathway may be acceptable. The purpose of this provision is in recognition of the often hilly terrain and the need to provide members an opportunity to rest midway during the descent or ascent. These benches or other seating arrangements are to be constructed of materials that will blend into the "natural" environment.

Adopted May 16, 1987
Amended January 17, 2009

Amended October 21, 2000
Amended July 17, 2010

Amended May 19, 2007

PURCHASE OF EQUIPMENT: PROCEDURE

Bids submitted to the Board for a major capital expenditure, not previously budget approved, are to be accompanied by a statement of rationale from the General Manager for awarding the contract to a particular vendor.

Adopted February 21, 1987

Reviewed November 15, 2008

RULES AND REGULATIONS: MAJOR CHANGES IN

Any change in the Rules and Regulations may be deemed major by two (2) Board members. The topic is then presented to the Board of Directors at one meeting; discussion of the topic at another meeting; and action taken at a third meeting.

Adopted May 18, 1985

Amended November 15, 2008

RESTRICTED LOT APPROVAL CRITERIA

The ACLPOA Amended & Restated Covenants state:

Section 12. Restricted Lots. The Owner of any Lot upon which no Structure has been erected may enter into an agreement with the Association wherein the Owner agrees that said Lot shall remain forever vacant open space upon which no Structure of any kind shall be erected, except one requested by the Association and agreed upon by the Owner and the Board. All agreements creating a Restricted Lot shall be in substance and form acceptable to the Board and suitable for recording, and when agreed to by the Association shall be recorded with the Recorder

of Deeds of Jo Daviess County, Illinois. Restricted Lots subject to such an agreement shall beginning in the year following the recording of such agreement be liable for only sixty per cent (60%) of any future annual assessments. Restricted Lots shall continue to remain liable for any Special Assessments approved pursuant to Section 4 hereof. The Owner of a Restricted Lot shall have all of the rights and privileges of any other Owner, except as modified by such agreement, and shall continue to remain responsible for the maintenance of such Restricted Lot as is the Owner of any other vacant Lot.

The Board has discretion to deny a request for a Restricted Lot and as a matter of policy should grant this status only to lots meeting the following established criteria:

- Granting the restriction will enhance or preserve the sense of open space.
- Granting the restriction will preserve and protect scenic views or natural setting thus enhancing the special character of Apple Canyon Lake.
- Granting the restriction will not have a negative impact to the Association finances.
- Whether there are any unique physical characteristics of the lot, including slope or soil type that make it impossible for construction.

Adopted November 21, 2015

SENIOR EXEMPTION FROM ANNUAL ASSESSMENTS

Effective November 6, 2011, the Amended and Restated Covenants and Restrictions, Article VI, Section 13 allows for a senior exemption of a dwelling from any increase in future annual assessments which become effective the year after the granting of a Senior Citizen Assessment Freeze as provided in the Jo Daviess County, Illinois Ordinances.

Furthermore, Article VI, Section 1, of the Amended and Restated Covenants and Restrictions states that "Each Owner of any Lot or Dwelling by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements . . ."

Furthermore, Article VI, Section 3, of the Amended and Restated Covenants and Restrictions states that "The Association shall have the power to levy an annual assessment against all of the Lots and Dwellings within the Properties, except only those Lots and properties owned by the Association."

Furthermore, since the establishment of the Apple Canyon Lake Property Owners Association (ACLPOA) in 1969, past practice has been and current practice is to levy an annual assessment against all of the Lots and Dwellings (numbering 2,746) individually regardless of whether a Lot Combination had been approved by the Board of Directors as recommended by the Architectural and Environmental Control Committee (AECC) and recorded with the Jo Daviess County Recorder.

Therefore, Apple Canyon Lake Property Owners Association (ACLPOA) will continue to levy an annual assessment against all of the Lots and Dwellings individually. The Senior Exemption provided for in Article VI, Section 13 of the Amended and Restated Covenants and Restrictions of ACLPOA will apply only to those Dwellings (not Lots) that qualify for the Senior Citizen Assessment Freeze as provided in the Jo Daviess County, Illinois Ordinances, so long as the property continues to qualify for the Jo Daviess County Senior Citizen Assessment Freeze. If the dwelling no longer qualifies for the Senior Citizen Assessment Freeze, or the ACLPOA Annual Application for Senior Exemption is not received by the deadline, the dwelling will be subject to the full annual assessments then in effect. The Senior Exemption shall only apply to one lot regardless of whether the Association has allowed for a lot combination.

Adopted October 15, 2011

SMOKING: NO SMOKING

All Apple Canyon Lake Buildings will be smoke free.

Adopted October 21, 1995

Reviewed November 15, 2008

SPECIAL LAKE USE

Organizations may use the lake for outdoor purposes provided the following stipulations have been met prior to the group's arrival.

1. Application for special lake use must be submitted to the Association office and approved by the General Manager.
2. The General Manager's office must be provided with a certificate of insurance showing the limits of liability of at least \$500,000. The certificate shall show or indicate that coverage extends to all activities at this site. The policyholder must be a property owner, and the proof of liability insurance must reflect the amount of insurance coverage and policy term expiration date. No continuous policies will be accepted.
3. A list of the people using the lake with first and last names, names of the leaders, and name and telephone number of an emergency contact for each person shall be provided in writing to the General Manager's office prior to the activity taking place.
4. A brief summary of activities planned, with locations identified, along with scheduled arrival and departure times shall be approved by the General Manager and be filed at the Association office prior to approval by the General Manager.

Amended November 17, 2003

Amended November 15, 2008

Amended December 15, 2018