



Memorandum

To: ACL Board

Date: December 8, 2021

From: Megan Shamp

Memo #: 2021-101

Topic: December committee/commission changes

Recommendation: To appoint Sean Cottrell as Chair and Jill Gibson as Secretary of the Legal Commission; and to accept the resignation of Jody Ware from the Legal Commission; and to accept the resignation of Mike Harris from the Recreation and Rules & Regulations Commissions and the AECC.

Plan on a Page: High Performing Operations and Management – Long Range Goals and Measures – To operate at full efficiency and effectiveness for the benefit of the Association.



Memorandum

To: ACL Board

Date: December 4, 2021

From: Rules & Regulations Commission

Memo #: 2021-94 (2)

Topic: Rules & Regulations: Campground Winter Storage

Analysis: Staff brought a revision to section X. Campground, D. Seasonal Campsites to the Rules & Regulations Commission at their November 5 meeting. The recommended language prepared by staff was approved unanimously by Rules & Regulations and recommended to the Board of Directors for approval.

The current Rules & Regulations require that the owner pay all required fees on all lots owned by March 1, complete an annual Campsite License, and provide insurance and a state recreational vehicle registration or title. A current state recreational vehicle registration must be provided if the camper is transported to/from the Campground (Camper Storage not paid). A current State Recreational Vehicle Registration or Title will be accepted if Camper Storage fee is paid.

Owners have argued with staff that it doesn't say **when** Camper Storage is paid. We have had owners state they will pay camper storage later and only provide a title by March 1. Sometimes the Camper Storage fee is eventually paid, but sometimes it is not paid, and no State Recreational Vehicle Registration is provided. To ensure that every Seasonal Campsite is truly compliant with the March 1 deadline, we are asking that the Camper Storage fee also be due March 1. If owners do not want to pay Camper Storage March 1, they can request it be removed from their account and provide a state recreational vehicle registration instead.

This revision was presented to the Board of Directors at their November 20 meeting and no additional changes were recommended.

Recommendation: To approve the revision to Rules & Regulations section X. Campground as included in the December Board packet.

<p><i>Plan on a Page: High Performing Operations and Management – Long Range Goals and Measures – To operate at full efficiency and effectiveness for the benefit of the Association.</i></p>

Apple Canyon Lake Property Owners Association Committee/Commission Motion Card

Rules + Regs Committee/Commission

Date 11-5-21

I move:

Rules + Regs Commission recommends to ACL Board to approve Sect. D Seasonal Campsites with additional verbiage as noted on attached.

Action Taken passed

MOTION MADE BY:

DAVE

MOTION SECONDED BY:

GEORGE

CHAIR:

Vickie Bershons

VOTE RECORDED:

YEA:

5

NAY:

0

ABSTAIN:

-

Date Received

11/5/21

Given to

B&D

Date Completed

D. Seasonal Campsites

1. The previous year's Seasonal Campsite License may be renewed if both renewal and registration are completed by March 1. Payment of Annual Dues, OARF(s), Trash, and the Seasonal Campsite Fee must be made on or before March 1 on all properties owned. Governing Documents require that all assessments (membership dues, trash, special assessments, interest, lien fees) be paid on all properties owned by all owners, designated members or occupants associated with all their properties prior to registration. Without limiting this requirement, but by way of example, if Lot 1 has two owners, persons A and B, and Lot 2 is owned by one owner, person A, then even if the dues on lot 1 have been paid by person A and/or B, neither person A nor person B can receive a camper tag or sticker until the dues for Lot 2 are paid by owner A, regardless of the fact that person B has no ownership interest in Lot 2. A completed and signed Campsite License agreement must be returned with payment on or before March 1 as part of the renewal and registration process. Failure to complete all requirements of the Campsite License by the date specified therein will result in forfeiture of the campsite to ACL, any previously granted license will be revoked, and the site will be assigned to another ACL lot owner. All camping units registered to a seasonal site must be owned by a property owner and registered annually with the Association by providing a completed Campsite License agreement, proof of liability insurance, State Registration or Title (see b. below), and by paying the required fee. All seasonal camping units must display a current year ACL sticker and ID numbers issued by the Association prior to occupying a campsite. For camping units stored on site over the winter, the current year ACL sticker & ID numbers must be displayed by Memorial Day Weekend. The current year ACL sticker and ID numbers must be visible from the road. All Seasonal Campsite Licenses are transferable only to another ACL property owned concurrently by the same Property Owner. Campsite Licenses may not be transferred to another Property Owner or with the sale of a lot. Upon the sale of the lot, the Campsite License agreement will automatically and immediately terminate.
 - a. All camper owners must provide ACLPOA with proof of liability insurance. The minimum required amount of liability insurance coverage shall be \$500,000 for bodily injury and property damage combined. Acceptable proof of liability insurance documents must meet the following requirements: the policyholder/named insured is the property owner of record; the insured camper must be described, and the policy term expiration date and liability coverage amounts must be listed. Continuous until canceled policies will not be accepted.
 - b. A copy of the current State Recreational Vehicle Registration or Title must also be provided to ACLPOA. A current State Recreational Vehicle Registration must be provided if the camper is transported to/from the Campground. A current State Recreational Vehicle Registration or Title will be accepted if Camper Storage fee is paid. **The Camper Storage fee must be paid by March 1 if only a Title is provided. If the owner chooses not to store the camper at the Campground over winter, the camper must be removed prior to the Campground closing date and the Camper Storage fee will be refunded after a current State Recreational Vehicle Registration is provided.**



Memorandum

To: ACL Board

Date: December 4, 2021

From: AECC

Memo #: 2021-98 (2)

Topic: Energy Policy Update

Issue & Analysis: On July 26, 2021, Governor Pritzker signed House Bill 0644 as Public Act 102-0161. There are significant changes to this Act that may affect how owners within the association communities' approach solar energy. Legal counsel updated the current ACL Energy Code with the required updates. At AECC meeting on November 6, 2021, the committee also discussed removing the option for a variance for ground solar arrays. Language was removed from the Energy Code allowing a variance for homeowners who wanted to add solar ground arrays to their property. The changes proposed by legal counsel are highlighted in yellow, the changes to the ground array variance are highlighted in blue.

The Energy Policy updates were presented to the Board of Directors at their November 20 meeting. The Building Code will be amended to align with the Energy Policy updates.

Recommendation: To approve the Energy Policy as included in the December Board packet. Once approved, the updated Energy Policy will be recorded with Jo Daviess County.

Plan on a Page: High Performing Operations and Management – Long Range Goals and Measures – To operate at full efficiency and effectiveness for the benefit of the Association.

Shaun Nordlie

From: Keith Jones <[REDACTED]>
Sent: Thursday, September 9, 2021 2:04 PM
To: Shaun Nordlie
Subject: RE: Energy Policy
Attachments: Energy Policy amendment with changes highlighted 9-9-21 (01066754xCF553).doc

Hello Shaun,

Yes, this needs to be updated to reflect changes to the Homeowners Energy Policy Statement Act. I am attaching a revised draft where my changes are highlighted in yellow. The changes I made are as follows:

(i) I deleted the language referring to townhomes and condominiums. One of the recent changes to the Act provides that the Act does not apply to homes with shared roofs, such as townhomes and condominiums. Solar panels can be completely prohibited on homes with shared roofs. However, if the Association would prefer to allow homes with shared roofs to have solar panels, then this change can be ignored.

(o) I deleted this entire paragraph, which relates to attached homes with shared roofs.

(r) This paragraph is revised to eliminate the reference to a location facing due South or 45 degrees east or west of due South. That language was removed from the Act and is no longer applicable. What the Act now provides is that an association may "determine the specific configuration of the elements of a solar energy system on a given roof face, provided that it may not prohibit elements of the system from being installed on any roof face and that any such determination may not reduce the production of the solar energy system by more than 10%. For purposes of this Section, 'production' means the estimated annual electrical production of the solar energy system." The way we are interpreting this is that owners now have the right under the Act to place solar panels on their entire roof face. An association could establish a preferred location for solar panels (such as on the rear of the home). However, if such a preferred location is set, an owner could overcome this by establishing that prohibiting the owner from installing solar panels on the roof face that is visible from the front of the home would reduce the production of the solar energy system by more than 10%. Paragraph (r) on the attached includes language consistent with these changes and sets a preferred location for solar panels on the rear of the home.

(x) This is a new paragraph. What this provides is that when reviewing an owner's solar panel application, the Board or committee may consult with an engineer, architect or other professional and if it does then any fees incurred for the consultation are the owner's responsibility. With the recent changes to the Act, associations are more likely to need to evaluate each solar panel application on an individual basis. In particular, if an owner claims that the Association's restrictions or requirements would reduce the production of the owner's proposed solar system by more than 10% than the Association may need to consult with a professional regarding this. This paragraph is included so that any such consultation fees would be charged back to the owner.

(y) This is a new paragraph. This paragraph clarifies that nothing in this energy policy grants any rights to owners of attached homes with shared roofs.

Also, it is not clear to me if this energy policy amendment has been recorded. If it was previously recorded, then the preamble section of the attached will need to be revised and this amendment will need to be renumbered before it is recorded.

KEITH R. JONES

KEAY & COSTELLO, P.C.

128 S. County Farm Road, Wheaton, Illinois 60187

Phone: 630.690.6446 x. 122 | 630.690.5454 fax

[Bio](#) | [vCard](#) | [Email](#) | keaycostello.com

Apple Canyon Lake Property Owners Association Committee Motion Card

Committee: AECC

Date: November 6, 2021

Agenda Item: 6.1

I Move:
Regarding ACLPOA Energy Policy

To approve the adoption of the amendment to the Board approved Energy Policy as provided by Key & Costello, dated September 9, 2021 as attached with the exception of the deletion of part of (i) and all of (o) which shall be retained.

Energy Policy - delete unless approved as a variance.

i. delete unless approved as a variance in writing by the AECC.

j. delete unless approved as a variance in writing by the AECC

MOTION MADE BY: *[Signature]* TO
MOTION SECONDED BY: *[Signature]* BY
CHAIR: *[Signature]*

VOTE RECORDED:

YEA: 6

NAY: 0

ABSTAIN: 0

Apple Canyon Lake Property Owners' Association

Energy Policy

Board approved 03 21 20

FIRST AMENDMENT TO THE AMENDED DECLARATION TO CONFORM TO THE COMMON INTEREST COMMUNITY ASSOCIATION ACT

This instrument, consisting of five (5) pages, is recorded for the purpose of amending the Amended Declaration to conform to the Common Interest Community Association Act (hereinafter referred to as "Declaration"), which was recorded on September 21, 2017 as document number 395980 with the Recorder of Deeds, Jo Daviess County, Illinois.

This Amendment is adopted to permit the Association to come into compliance with Section 20 of the Homeowners' Energy Policy Statement Act (765 ILCS 165/1 et. seq.) The text of this Amendment, which is set forth below, shall become effective upon recordation in the Office of the Recorder of Deeds, Jo Daviess County, Illinois.

PREAMBLE

WHEREAS, the Declaration was recorded on September 21, 2017 as document number 395980 with the Recorder of Deeds, Jo Daviess County, Illinois;

WHEREAS, the Board of Directors for Apple Canyon Lake Property Owners' Association, in compliance with Section 20 of the Homeowners' Energy Policy Statement Act (765 ILCS 165/1 et. seq.) hereby adopts the Association's energy policy statement and includes the same within the terms, covenants and provisions of its Declaration;

WHEREAS, the Amendment has been approved by two-thirds of the members of the Board of Directors at a meeting called for that purpose.

NOW THEREFORE, the Declaration for Apple Canyon Lake Property Owners' Association is hereby amended in accordance with the text that follows:

AMENDMENT

1. ARTICLE III, "GENERAL RESTRICTIONS," shall, following adoption of this Amendment, include a new Section 15, "Energy Policy Statement" as follows:

15. Energy Policy Statement

PURPOSE OF STATEMENT: In compliance with Section 5 of the Homeowner's Energy Policy Statement Act (765 ILCS 165/1 et. seq.) the Board of Directors has adopted this Energy Policy Statement for the purpose of protecting the public health, safety, and welfare of the Members of the Association, while encouraging the development and use of solar energy systems in order to conserve and protect the value of land, buildings, and resources.

(a) Definitions: The terms used herein shall have the meanings and definitions prescribed to them in Section 10 of the Homeowner's Energy Policy Statement Act.

(b) Application for the installation of solar collectors, solar storage mechanisms and solar energy systems must be made to the Architectural and Environmental Control Committee as described herein and Article VII of the Declaration.

(c) The Architectural and Environmental Control Committee shall have the sole discretion in approving an Owner's specific modules or product used for its solar collectors, solar storage mechanisms and/or solar energy systems, which shall be submitted with the Owner's application.

(d) Owners shall not permit solar collectors, solar storage mechanisms or solar energy systems to fall into disrepair or to become safety hazards.

(e) Owners shall be responsible, at his or her own costs, for all maintenance and repair of solar collectors, solar storage mechanisms and solar energy systems. In the event the installation or use of any solar collectors, solar storage mechanisms or solar energy systems causes any damage or destruction to any Common Properties, Dwelling, Lot, Structure, or the Properties, the Owner installing the solar collectors, solar storage mechanisms or solar energy systems shall be liable and responsible for and shall pay for any and all costs, expenses, fees and damages and repair any and all damage or destruction created thereby, including, but not limited to, reasonable attorneys' fees and court costs incurred by the Association.

(f) Owners shall be responsible for repainting or replacement of solar collectors, solar storage mechanisms and solar energy systems.

(g) If the Association and/or Architectural and Environmental Control Committee determines, in its sole discretion, that the removal of any solar collectors, solar storage mechanisms or solar energy systems is necessary to allow the Association to fulfill its maintenance, repair and replacement obligations described in this Declaration, the Association shall provide reasonable notice to the Owner, as applicable. It is the obligation of the Owner to complete removal within the time provided by the Association. In the event the Owner fails to complete removal within the time provided, the Association may hire a licensed solar

installer to remove any solar collectors, solar storage mechanisms and solar energy systems and assess all costs incurred back to the Owner's assessment/common expense account. The Association will not be responsible for the safekeeping of any portion of a solar energy system it removes nor will the Association be responsible or liable for any damage caused to a solar energy system or any of its component parts. Upon removal, no solar energy system or any of its component parts may be re-installed without the prior written approval of the Architectural and Environmental Control Committee.

(h) Solar collectors, solar storage mechanisms and solar energy systems shall meet applicable standards and requirements imposed by state and local permitting authorities and shall be certified by the Solar Rating Certification Corporation (SRCC) or other nationally recognized certification agency. No homemade or non-commercially produced collectors, mechanisms or systems may be installed.

(i) Solar collectors shall only be installed on the roofs of Dwellings and should be, upon installation, completely contained within the vertical plane of the exterior wall line of the Dwelling ~~unless approved as a variance in writing by the AECC.~~ ~~With respect to attached Townhouses and/or Condominiums, under no circumstances shall any solar collectors, solar storage mechanisms or solar energy systems extend beyond the bounds of a Dwelling's roof nor beyond the vertical extension of the Dwelling's Party Wall or Unit boundaries.~~

(j) Solar collectors, solar storage mechanisms and solar energy systems, should be installed on existing plane of roof material, should match the slope of the existing plane of the roof and be flush-mounted with the existing plane of the roof ~~unless approved as a variance in writing by the AECC.~~

(k) Solar collectors, solar storage mechanisms and solar energy systems installed on roofs must be firmly affixed to roof surface.

(l) All plumbing lines should be concealed on the exterior of the Dwelling and the method of installation shown and detailed in the Owner's application described in Paragraph (b) herein. Lines should be painted colors consistent with the Dwelling and other materials adjacent to the system.

(m) A sample or illustrated brochure of the proposed solar collectors, solar storage mechanisms and solar energy systems should be submitted to the Architectural and Environmental Control Committee as part of an Owner's application under Paragraph (b) herein and should clearly depict the system and define the materials used. Construction drawings for the specific installation should be provided. Drawings should clearly show all elevations, roof planes, proposed assembly and attachment to the roof structure, proposed installation location on the Dwelling and the location of any storage tanks.

(n) All applications concerning solar collectors, solar storage mechanisms and solar energy systems made pursuant to Paragraph (b) herein should include calculations indicating the number and area of panels required.

~~(o) Owners submitting applications shall provide an attestation that notice of the proposed installation of solar collectors, solar storage mechanisms and solar energy systems was given to all neighboring Lots and Dwellings sharing Party Walls and bounds with the applicant Owner.~~

(p) Any material used in the solar collectors, solar storage mechanisms and solar energy systems, if flammable, should be self-extinguishing.

(q) Ground-mounted, free-standing solar collectors, solar storage mechanisms and solar energy systems are prohibited anywhere on the Property ~~unless approved as a variance in writing by the AECC.~~

(r) When applicable, the Architecture and Environmental Control Committee may determine the specific configuration of the elements of a solar energy system on a given roof face; provided, that, the elements of the solar energy system shall not be prohibited from being installed on any roof face and the Architecture and Environmental Control Committee's determination may not reduce the production of the solar energy system by more than ten percent (10%). For purposes of this paragraph, "production" means the estimated annual electrical production of the solar energy system. The Architecture and Environmental Control Committee encourages Owners to install solar collector systems on the rear facing roof of the Dwelling, for aesthetic purposes. ~~determine the specific location where a solar energy system may be installed on the roof within an orientation to the south or within 45 degrees east or west of due south provided that the determination does not impair the effective operation of the solar energy system.~~

(s) A solar energy system shall only be installed by a professional contractor, licensed or accredited by the North American Board of Certified Energy Practitioners (NABCEP), Interstate Renewable Energy Council (IREC) or other similar nationally recognized accrediting/licensing authority.

(t) Installation of a solar energy system shall not cause or result in an unreasonable disturbance to or otherwise interfere with the use and enjoyment of neighboring Lots and Dwellings (i.e. the installation of a solar energy system shall not result in unreasonable glare reflecting therefrom nor shall it unreasonably limit or disrupt

surrounding Lots' or Dwellings' sight lines).

- (u) The Association does hereby permit the installation, placement or construction of rainwater collection systems, subject to any Rules and Regulations adopted by the Board of Directors for the Association. Rainwater collection systems, when possible, shall be concealed from public view and shall not create an unreasonable disturbance or nuisance to neighboring Lots and Dwellings.
- (v) The Association does hereby prohibit the installation, placement or construction of wind energy collection systems anywhere on the Property.
- (w) The Association does hereby permit the installation, placement or construction of composting systems, subject to any Rules and Regulations adopted by the Board of Directors for the Association. Composting systems, when possible, shall be concealed from public view and shall not create an unreasonable disturbance or nuisance to neighboring Lots and Dwellings.
- (x) The Board and/or Architecture and Environmental Control Committee may consult with a third-party engineer, architect and/or other professional to assist in the review and processing of an application from an Owner pursuant to this Section and/or the review of any system installed following the approval by the Architecture and Environmental Control Committee of an application submitted by an Owner pursuant to this Section. Any and all costs and fees charged to the Association by any such third-party or otherwise incurred by the Association with respect to such processing and review shall be charged back to the Owner, and if not paid promptly by such Owner shall become a lien on such Owner's Dwelling and Lot in the same manner as unpaid assessments and the Association shall have all of the same rights and remedies available to it for collection of same as are provided in this Declaration, the By-Laws, at law or in equity for the collection of unpaid assessments.
- (y) The provisions of this Section shall not apply to, and shall not grant any rights to Owners of, any Townhouses, Condominiums or buildings with a shared roof. As used in this paragraph, "shared roof" means any roof that (i) serves more than one (1) Dwelling, including, but not limited to, a contiguous roof serving adjacent Dwellings, or (ii) is part of the common area, limited common area or common elements of a condominium.

2. The terms used herein, if not otherwise defined, shall have the same meaning described to them in the Declaration and Bylaws.

3. The language of this Amendment shall govern any conflicts between this document and the Declaration and its amendments.
4. Except as to the extent expressly set forth herein above, and as amended, the Declaration, Bylaws and Rules and Regulations shall continue in full force and effect without change.

END OF TEXT OF AMENDMENT

Building Inspector

From: Margaret Clark <[REDACTED]>
Sent: Tuesday, September 28, 2021 5:39 PM
To: ACL board; Shaun Nordlie; Megan Shamp; Building Inspector
Subject: Solar Panels Installations on the Land
Attachments: ACL Solar Panel Memo to AECC and Board 09-28-21.docx

Follow Up Flag: Follow up
Flag Status: Completed

Attached is my memo regarding the language in our Energy Policy. With the new legislation regarding Solar Panels and HMO's, the revised law still does not include installations on the land; it only covers installations on the roof of a building. I am, therefore, requesting AECC and the Board of Directors to reconsider the decision to allow a variance regarding the installation of solar panels and delete the language that permits a variance for solar panel installations.

Your consideration of this issue in light of the community and property owners and our language in the Building Code will be very much appreciated.

Regards,

Marge Clark
11A42 Par Ct.
Apple River, IL 61001

TO: ACLPOA Board of Directors and ACLPOA Architectural and Environmental Control Committee, Building Inspector

FROM: Marge Clark

DATE: September 28, 2021

SUBJECT: ENERGY POLICY LANGUAGE IN AMENDED DECLARATION FIRST AMENDMENT, ARTICLE III, GENERAL RESTRICTIONS, SECTION 15(q)

As a result of decisions made by AECC prior to 2020 and the adoption of our official Energy Policy, my neighbor and I are faced with an array of 30 solar panels in the middle of the back yard of our neighbor. AECC had been approached by a few property owners to install solar panel arrays on the ground before official guidelines or policy for ACLPOA was adopted, and they approved them. How much consideration was given to the general surroundings and adjacent buildings or structures or to the interest, welfare or rights of all or part of the Owners, I don't know. If any reference had been made to the Building Code, Section 1 (b) ii and iii, it surely would have been apparent that AECC members had the power to disapprove based on Sect. 1 (b) ii: "The design or the siting of a proposed improvement is not in harmony with the general surroundings of the subject Lot or with adjacent buildings or structures" and on Sect. 1 (b) iii: "The proposed improvement, or any part thereof, would in the opinion of the AECC be contrary to the interests, welfare or rights of all or part of the Owners." This language also appears in the Amended Declaration in Article VII, Sect. B, ii and iii. The 30-solar panel array does not meet either of these criteria. Furthermore, Building Code, Section 121 Solar Energy (M2302) D reinforces the points in ii and iii when it states that "Care should be taken to see that placement will not destroy the natural beauty of Apple Canyon Lake." The installation of the 30 solar panels in our neighbor's yard is not in harmony with the general surroundings, obscures our view of part of the golf course, and has brought nothing but negative comments from visitors to my home—both property owners and other visitors.

On February 1, 2020, I attended the Architectural and Environmental Control Committee (AECC) meeting at which the new Energy Policy language drafted by legal counsel Keah & Costello was on the agenda. This Energy Policy was drafted to be in compliance with Illinois State Homeowners' Energy Policy Statement Act (765 ILCS 165). Recently, on July 28, 2021, Gov. J. B. Pritzker signed legislation that revises the Homeowners' Energy Policy Statement Act HB644. This legislation guarantees homeowners' rights to place **solar on their home** without major redesign requirements, while improving the timeline for approval by a homeowners' association, and I fully support the legislation. It has not changed the position that solar panel systems may be installed on the roof of a building and still says nothing about permitting installation of solar panel arrays on the ground.

As the Energy Policy was **originally** drafted by legal counsel, the following two sections stated:

Section 15 (q): "Ground-mounted, free-standing solar collectors, solar storage mechanisms and solar energy systems are prohibited anywhere on the Property."

Section 15 (t): “Installation of a solar energy system shall not cause or result in an unreasonable disturbance to or otherwise interfere with the use and enjoyment of neighboring Lots and Dwellings (i.e. the installation of a solar energy system shall not result in unreasonable glare reflecting therefrom nor shall it unreasonably limit or disrupt surrounding Lots’ or Dwellings’ sight lines).”

Unfortunately, AECC chose to add to Section 15 (q) the phrase **“unless approved as a variance in writing by the AECC.”** It is because of the addition of this phrase that I am requesting the Board of Directors, AECC, and Building Inspector Joe Wiener to reconsider this additional language and delete it from the Energy Policy to be in compliance with the original intent of the law and the policy as written by our legal counsel.

Apple Canyon Lake was established and developed with the expressed intent to retain as much of the natural beauty of the area as possible. Hence, lake view lots to preserve the beauty of the wooded shoreline instead of all lots along the shoreline being identified as lake front lots. To begin dotting the land in this development with solar panel installations on the ground is absolutely contrary to the intended use of this land.

I sincerely hope the Board of Directors and the members of AECC will give careful consideration to their responsibility to the membership and to the intended purposes for which this recreation community was designed and find that deleting the variance for solar panels on the ground is the appropriate action to take for the benefit and welfare of the property owners and community.

Best regards,

Marge Clark
11A42 Par Ct.
Apple River, IL 61001

- E. Woven wire or chain link type fences are allowed only within the rear and side building setback lines and not along the front setback. The woven wire or chain link fence shall be painted or coated with a color approved in writing by the AECC.

120 SATTELLITE DISH/ANTENNA

- A. No roof or building mounted satellite dish/antenna larger than thirty-six (36) inches is permitted.
- B. No more than two (2) roof or building mounted satellite dish/antennas are permitted
- C. Any existing non-conforming satellite antennas are “grandfathered” until replacement and shall comply under the nonconforming provision of the Code (108).

121 SOLAR ENERGY (M2302)

- A. Solar energy systems shall comply with the ACL Solar Energy Policy.
- B. The solar panel array shall be roof mounted unless ground mounting on the same lot as the Dwelling is approved as a variance in writing by the AECC.
- C. Anyone erecting a solar array is required to obtain written approval from the AECC. The request for written approval must include plot plan and location of array on the plot plan and engineering calculations proving required size.
- D. If permitted by variance, ground solar arrays shall conform to normal setback requirements and may not encroach on septic systems, service lines or buried LP tanks. Care should be taken to see that placement will not destroy the natural beauty of Apple Canyon Lake.
- E. For the purposes of this Code, solar panel arrays are considered to be a structure.



Memorandum

To: ACL Board

Date: December 4, 2021

From: Shaun Nordlie

Memo #: 2021-96 (2)

Topic: Employee Handbook

Issue & Analysis: ACL Staff as well as the Employee Handbook Ad Hoc Commission have reviewed and updated the Employee Handbook. The updates include new language regarding marijuana use, weapons in the workplace, Emergency Management as well as Illinois statute requirements and staff recommendations. The Acceptable Use Policy has also been updated by the Board Policy Ad Hoc Commission with grammar changes and a change due to operations.

The Employee Handbook revisions were presented to the Board of Directors at their November 20 meeting. A few minor revisions were suggested by the Board of Directors at that meeting and have been incorporated into the document included in the December Board packet. These revisions are highlighted in red.

Recommendation: To approve the Employee Handbook included in the November Board packet, with changes discussed at that meeting as included in the December Board packet.

1.1 Mission Statement

Effective Date: October 15, 2016

Revision Date:

The Apple Canyon Lake Property Owners Association Board of Directors shall act in a fiscally responsible manner **as a fiduciary**, while exercising all powers and authority vested in the Association, so as to preserve its values and amenities, and promote health, safety and welfare for the common benefit and enjoyment of its membership while maintaining its not-for-profit status.

2.1 Employee Classification Categories

Effective Date: October 15, 2016

Revision Date:

The following terms are used to describe the classification of employees and their employment status:

Exempt

Employees whose positions meet specific tests established pursuant to the Fair Labor Standards Act (FLSA) and state law, and are therefore exempt from overtime pay requirements.

Non-Exempt

Employees whose positions do not meet FLSA and state exemption tests and who are paid a multiple of their regular rate of pay for hours worked over forty hours in any one work week.

Full Time:

Employees scheduled to work a minimum of thirty-six (36) hours per week on a year-round basis.

Part Time

Employees scheduled to work less than thirty-six (36) hours per week on a year round basis. Part time employees scheduled less than thirty-six (36) hours per week are not eligible for all benefits given to full time employees.

Seasonal

Employees hired to work a specific job, or in a position that is seasonal in nature, and employment will terminate at the end of that season. Seasonal employees may work a full or part time schedule and are not eligible for all benefits given to full time employees.

Introductory Period Upon Employment

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. The Association uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or ACLPOA may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired hourly employees work on an introductory basis for the first 90 calendar days after their date of hire. The introductory period for exempt employees is 180 days. Employees who are promoted or transferred within ACLPOA must complete a secondary introductory period of the same length with each reassignment to a new position. Any significant absence will automatically extend an introductory period by the length of the absence. If ACLPOA determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period.

In cases of promotions or transfers within ACLPOA, an employee, who, in the sole judgment of management, is not successful in the new position, can be removed from that position at any time during the secondary introductory period. If this occurs, the employee may be allowed to return to his or her former job or to a comparable job for which the employee is qualified, depending on the availability of such positions and the ACLPOA's needs.

Upon satisfactory completion of the initial introductory period, **new** employees enter the "regular" employment classification. At the conclusion of their "introductory period" and attaining full-time regular employee status, such employee's length of eligible service, i.e., "benefit year" shall be computed retroactively to the date of hiring.

Employment status **is** not changed during the secondary introductory period that results from a promotion or transfer within ACLPOA.

2.16 Rehire Eligibility

Effective Date: October 15, 2016

Revision Date:

To be rehired, former employees must have separated employment in good standing with ACLPOA. Employees lose good standing when the reason for separation is based on policy violation. Former employees in good standing are still required to **conform** to ACLPOA's regular hiring process and screening, including, at ACLPOA's discretion, submitting an employment application and completing any required certifications and licenses. Hiring managers seeking to hire former employees must submit a request for review and approval from the General Manager prior to hiring. Except where expressly stated to the contrary in a written employment agreement, former employees that are rehired will begin accruing benefits at the same rate and in the same manner as new employees, and tenure for all purposes will be calculated starting from the date of rehire.



4.7 Fair Labor Standards

Effective Date: October 15, 2016

Revision Date:

ACLPOA will adhere to all applicable aspects of the Federal Department of Labor Fair Labor Standards Act of 1938 as amended.

4.10 Safety and Health

Effective Date: October 15, 2016

Revision Date:

ACLPOA is committed to providing a safe and healthy working environment. In this connection, ACLPOA makes every effort to comply with relevant federal and state occupational health and safety laws and to develop the best feasible operations, procedures, and programs conducive to such an environment. Each employee is tasked with helping maintain a safe work environment and complying with all safety and health laws and regulations. Employees must report all injuries, accidents, illnesses, safety hazards, and health concerns that they experience or observe to the General Manager or other designated manager. Failure to abide by ACLPOA safety policies or to report unsafe conditions may result in discipline.

The Occupational Safety and Health Act (OSHA) is a federal law requiring that ACLPOA maintains records of all work-related accidents and illnesses. The employee is required to submit an accident report to his/her Manager for all accidents, illnesses, or unsafe working conditions that an employee suffers or witnesses while on the job, no matter how small. The General Manager shall supply the employee's immediate manager with a standardized accident report form for the employee to use. Failure to complete an accident report may result in discipline or prevent the employee's ability to receive worker's compensation and other benefits.

Contact the employee's immediate manager if he/she or another co-worker is injured on the job. If necessary, contact emergency medical assistance immediately.

Fire Safety

Employees are required to know and observe OSHA regulations, including helping prevent fires and maintain safe practices for avoiding fires in the workplace. Do not block access to any fire exits, doorways, windows, or fire extinguishers. Employees need to keep all flammable materials stored in covered metal containers.

Weapons in the Workplace

Employees are not allowed to bring weapons into the workplace. An employee who is a concealed weapon license holder may carry a concealed firearm within a vehicle into the parking area or store a firearm concealed in a glove compartment, console or trunk(out of plain

view) in a locked vehicle in the parking area. A License holder may also transport the firearm around ~~ten (10) feet the immediate area~~ of the vehicle if the gun is unloaded and the purpose is to store it in or retrieve it from the trunk.

Security

As valued members of the ACLPOA team, management strives to ensure employee personal security at all times. With this aim, we maintain the following security measures:

- First Responders
- 24/7 Security Staff
- Surveillance Cameras

Contact the employee's immediate supervisor or the General Manager if he/she has questions or concerns regarding ACLPOA security systems.

Severe Weather Procedures

The National Weather Service issues severe weather watches or warning for areas where severe thunderstorms or tornadoes may occur during the next several hours. The size of an average watch area is approximately 100 miles wide and 300 miles long. The warning will indicate the location where the thunderstorm or tornado was discovered, the area through which it is expected to move, and the time periods during which the tornado or storm will move through the area warned.

How Does A Watch Differ from a Warning?

- A Tornado or Severe Thunderstorm **Watch** is used to alert the public to the possibility that severe thunderstorms or tornadoes may develop over a certain area and to advise the public to be ready to take precautionary action.
- A Severe Thunderstorm or Tornado **Warning** means that a severe thunderstorm or tornado has actually been sighted in the area or its presence has been detected by radar and persons in the path of the storm or tornado should immediately take safety precautions.



Memorandum

To: ACL Board

Date: December 4, 2021

From: Board Policy Ad Hoc

Memo #: 2021-99 (2)

Topic: Board Policy 6000's

Issue & Analysis: The Board Policy Ad Hoc Commission has been working on a new document to organize Board policies. This manual sets forth the policies of the Board of Directors of the Apple Canyon Lake Property Owners' Association. All policies are intended to support the Mission Statement of the Board of Directors. The purpose of the manual is to help the Board of Directors approach decisions from the perspective of its own previously established standards, values, and expectations by:

- Elevating efficiency of having all ongoing board policies in one place
- Quickly orienting new board members to current policies.
- Eliminating redundant or conflicting policies.
- Having greater ease of reviewing current policy when considering new issues.
- Providing clear, proactive policies to guide the General Manager and staff, as well as the Board of Directors, members, and committees/commissions.

The 6000 section covers the finances of the Association. They have been reviewed by legal counsel and Steve Borst, the Association Treasurer.

The Board Policy 6000's were presented to the Board of Directors at their November 20 meeting. One correction was suggested by a member of the audience at that meeting. This change, and those from Steve Borst and the Board Policy Ad Hoc Commission, have been incorporated into the document included in the December Board packet. The following policies did not change following 1st Reading and are not included in the December packet: Policy 6110, Policy 6112, Policy 6120, Policy 6151, Policy 6423, Policy 6460, Policy 6520, Policy 6620, Policy 6630, Policy 6680, Policy 6700, Policy 6800.

Recommendation: To approve the Board Policy 6000's as included in the November Board packet, with changes discussed at that meeting as included in the December Board packet.

Plan on a Page: High Performing Operations and Management – Long Range Goals and Measures – Assure the knowledge and understanding of roles, responsibilities, and governing documents by Board of Directors

SECTION 6000

6108: AUTHORIZATION TO MAKE ELECTRONIC TRANSFER AND SIGN CHECKS

The Board of Directors authorizes electronic fund transfers (EFTs) for any purpose including payment on delivery items, direct deposit, wire transfer, withdrawal, investment, or payment. Upon the recommendation of the General Manager, the Board of Directors shall approve the financial institutions that are authorized to receive monetary transactions through electronic or other medium. Internal procedure and controls for checks and signing Electronic Funds Transfers (EFTs) shall be established by the General Manager, who shall periodically report them to the Board of Directors.

Upon the recommendation of the General Manager, the Board of Directors shall then approve written agreements with financial institutions with whom EFTs will be made.

Such agreements shall set forth internal controls required by GAAP that will provide adequate integrity, security, confidentiality, and auditability of business transactions conducted by electronic commerce, including, but not limited to, the following:

- A. The official title of the bank account(s) subject to the agreement and each type of transaction approved, such as deposits, disbursements or transfers, shall be specified;
- B. The approval of the General Manager and the employees authorized to initiate EFTs shall be contained therein. If automatic EFTs are made a requirement then the Association shall maintain documentation signed by the initiator and authorizer of the EFTs to confirm the authenticity of the EFTs;
- C. All Association checks must have two authorized signatures;
- D. All current Board of Directors, including the Corporate Secretary (General Manager), and Finance Manager and incumbent members of the Board of Directors are authorized to co-sign checks and to authorize EFTs for the Association. Every new Board of Director member shall be expressly authorized by a Board resolution as a person authorized to sign checks and EFTs delivery items, and shall be added to the applicable fidelity or surety bond coverage.
- E. A requirement that when funds are properly delivered to the receiving institution, that institution agrees to become responsible for prompt and diligent processing of the fund;
- F. A requirement that written or printed documentation from the financial institution acknowledging such transactions, including but not limited to deposits.

G. Automatic electronic transfers may be made for periodic bills, payroll and utility bills. EFTs may be used to pay for all cash on slips, debit and credit memoirs, trust receipts, transfer acknowledgements, or cancelled warrants, shall be provided so that they may be kept in the official files of the Association which shall be maintained in a manner which facilitates easy review and validation of transactions.

All Association staff shall comply with the provisions of this policy when creating, generating, sending, communicating, receiving, storing, processing, using and relying upon electronic records. Further, all staff and other persons who use electronic signatures when completing transactions with the Board of Directors shall do so in compliance with State law.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6111: INTERNAL CONTROLS FOR GRANTS AND AWARDS

The General Manager shall establish and maintain effective internal controls over Federal/State grants and awards that provide reasonable assurance that the Association is managing all awards in compliance with applicable statutes, regulations and the terms and conditions of the awards. The Association has a process that provides reasonable assurance regarding the achievement of the following objectives:

- A. effectiveness and efficiency of operations
- B. reliability of reporting for internal and external use
- C. compliance with applicable laws and regulations

The Association shall employ several safeguards to ensure that:

- The Association complies with the standards set forth for non-profit charitable associations under the 501(c)(4) classification established by the US Internal Revenue Service; and
- Financial transactions are properly authorized, appropriated, executed and recorded.

The internal controls must provide reasonable assurance that transactions are properly recorded and accounted for in order to permit the preparation of reliable financial statements and Federal/State reports; maintain accountability over assets; and demonstrate compliance with Federal/State statutes, regulations, and the terms and conditions of the Federal/State award. The internal controls must also provide reasonable assurance that these transactions are executed in compliance with Federal/State statutes, regulations, and the terms and conditions of the Federal/State award that could have a direct and material effect on a Federal/State award, as well as any other Federal/State statutes and regulations that are identified in the Compliance Supplement. Finally, the Association's internal controls must provide reasonable assurance that all Federal/State funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

The Association shall:

- A. comply with **Federal/State statutes**, regulations, and the terms and conditions of the Federal awards;

- B. evaluate and monitor its compliance with statutes, regulations, and the terms and conditions of the award;
- C. take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and
- D. take reasonable measures to safeguard protected "personally identifiable information" (PII) and other information the awarding agency or pass-through entity designates as sensitive or the Association considers sensitive consistent with applicable Federal, state, local, and tribal laws and Association policies regarding privacy and obligations of confidentiality.

PII is defined as "information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual."

However, the definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6144 - INVESTMENT INCOME

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 Association in a prudent manner.

GENERAL POLICY: Funds provided to the Association are 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 fund principal is paramount when considering investment opportunities.

The Association recognizes its responsibility to participate in and support local financial institutions within the northwest Illinois community. Unless the overriding considerations of security of funds and types of investments preclude the use of local institutions the Association will invest with local financial institutions first.

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~~ **must** be observed:

- a. **Placement** of investment funds and their subsequent management should not involve payment of special investment management fees.
- b. Measured 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, in excess of related revenues, through appropriately maturing investments.

- d. Investments will be made by the General Manager through FDIC insured financial institutions in the US or Federal Agency Securities or in an insured savings, with prior approval of the Treasurer and Board of Directors. Deposits must not exceed the amount insured by FDIC unless secured by US or Federal Agency Securities.
- e. The General 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 of Directors.
- f. The Board of Directors shall receive at least quarterly reports of all investment transactions and a portfolio maturity summary.

~~*Deposits must not exceed the amount insured by FDIC unless secured by US or Federal Agency Securities.~~

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6145 - BORROWING

Upon an affirmative vote of five of the entire membership of the Board of Directors, the General Manager or Finance Manager shall prepare the data and applications regarding the borrowing of funds needed for the immediate operation of the Association. Such borrowing shall be in accordance with the provisions of the ACLPOA Amended and Restated Bylaws **Article V, Section 4.**

Article V, Section 4 of the ACLPOA Amended and Restated Bylaws states that the Association may incur indebtedness for borrowed money or mortgage, pledge or grant security interests in the Common Properties and Facilities as determined from time to time by the Board of Directors. The Association shall not incur indebtedness in an amount that would result in the total principal amount of all indebtedness of the Association then outstanding, after giving effect to such incurrence, to exceed the total annual assessments, fees and other revenue of the Association from all sources for the most recently completed fiscal year of the Association, without the prior approval of a majority of the votes cast by the Voting Members at a Special Meeting of the Association duly called for such purpose, written notice of which shall be given at least ten (10) and not more than thirty (30) days in advance of said meeting. At any such meeting a quorum shall consist of twenty percent (20%) of the votes of all Voting Members.

Quotations shall be solicited for all loans which the Board of Directors have authorized. **With Board of Directors' approval, funds** shall be borrowed from the responsible **organization institution** offering the most favorable terms. ~~with Board of Director approval.~~

Cross-References: **Bylaws Article V. Section 4**

Adopted:

Last Revised:

Section 6000

6152 – Annual Assessments, Owner Amenity Registration Fee (OARF) and Fines

In accordance with the Declaration Article VI. Section 1. 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; such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot or Dwelling against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of each person who was an Owner of such Lot or Dwelling at the time when the assessment fell due.

As stated in the Declaration Article VI. Section 2. the assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and, in particular, for the improvement and maintenance of all properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties, the Reserved Properties or the Dwellings situated upon the Properties, including but not limited to, the payment of taxes and insurance thereon and repair, replacement, and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

In accordance with the Declaration Article VI. Section 3. the Association shall have the power to levy an annual assessment against all of the Lots and Dwellings within the Properties, exempt for only those Lots and properties owned by the Association. The annual assessment shall be fixed in accordance with CICAA as amended from time to time.

Stated in Article VI. Section 4. of the Declaration is change in basis and maximum of Annual Assessments and Special Assessments. Each year the **Board of Directors** shall prepare an annual budget which shall identify the Association's projected income and expenses for the next year, which shall include an appropriate amount for the reserves, capital expenditures, payment of real estate taxes, and for the repair and replacement of the Association's facilities and equipment. A copy of the proposed annual budget shall be communicated to each Lot or Dwelling owner at least thirty (30) days, but not more than sixty (60) days, prior to the adoption by the Board. The annual budget, approved by the Board, shall be acted upon at the November Board Meeting, or at such other meeting as the Board may determine. If an adopted budget or any separate assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding one hundred fifteen percent

(115%) of the sum of all regular and separate assessments payable during the preceding fiscal year, the common interest community association, upon written petition by members with twenty (20) percent of the votes of the association delivered to the **Board of Directors** within fourteen (14) days of the **Board of Directors'** action, shall call a meeting of the members within thirty (30) days of the date of delivery of the petition to consider the budget or separate assessment; unless a majority of the total votes of the members are cast at the meeting to reject the budget or separate assessment, it shall be deemed ratified.

Special Assessments – Special Assessments are assessments not included in the Annual Budget. Assessments for additions and alterations to the common areas or to association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of a majority of the total Voting Members voting in person or by Written Ballot at a meeting duly called for this purpose, written notice of which shall be sent to all Voting Members at least thirty (30) days in advance and shall set forth the purpose of the meeting (Declaration 2017 Article VI. Section 5).

In accordance with the provisions of CICAA subsection 1-45(e), special assessments for expenditures related to emergencies or mandated by law may be adopted by the Board without being subject to member approval or the provisions of CICAA subsection 1-45(c) or (f). As used herein, "emergency" means a danger to or a compromise of the structural integrity of the common areas or any of the common facilities of the common interest community. "Emergency" also includes a danger to the life, health or safety of the membership (Declaration 2017 Article VI. Section 6).

The annual assessments provided for herein shall become due and payable on the first day of March of said year, or on such other date or dates as may be established by the Board. The due date of any special assessment under Section 5 or 6 of the Declaration hereof shall be fixed in the resolution authorizing such assessment. Written notice of the assessment shall be sent to the Voting Member designated for each Lot or Dwelling subject thereto. If the assessment is 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 office.

Owners 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 owner. The Board of Directors will determine the 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 owner. The OARF fee must be paid prior to March 1st 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.

Fines: In accordance with Article V. Section 3a. of the Declaration, the Association has the right to prescribe rules and regulations for the use of Common Properties, including but not limited to the number, size, type and speed of boats operated on any waters on The Properties; the taking of fish from waters on The Properties; and such other regulations as the Association deems necessary to the healthy, safety and welfare of the Association and its Members.

The Association has the right in accordance with the Declaration Article V. Section 3d, to suspend the enjoyment rights of any Owner or Member for any period during which any assessment, charge or fine remains unpaid; or to suspend the enjoyment rights of any Owner or Member for any period not to exceed ninety (90) days; or to levy and assess such fines and penalties for any violation of the Declaration, the Bylaws, the ACL Building and Environmental Code or the Rules and Regulations, all as determined by the Board.

And, The Association has the right to charge reasonable admission and other charges or fees for the use, maintenance or preservation of the Common Properties or the Reserved Properties (Article V. Section 3e).

CROSS-REFERENCE: Amended Declaration to Conform to the Common Interest
Community Association Act (2017)

ADOPTED:

LAST REVISED:

SECTION 6000

6152.01 – ASSESSMENT PAYMENT PLAN

The Board of Directors may create a payment plan or options for property owners to pay their annual assessment (dues) and fees. A per lot payment plan processing fee will be charged and added into the payment plan agreement. If a property owner chooses to participate in a Board of Directors approved payment plan, all payments will be automated clearing house (ACH) withdrawals initiated by the Association office. Other payment types may not be offered as part of the payment plan. The Board approved annual assessment and fees payment plan will be advertised published in The Apple Core.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6220 - BUDGET PREPARATION

The Association's operation plan is reflected in its budgets. Each year, the Board of Directors will cause to have prepared and then review and approve the budget.

The budget shall be designed to carry out Association operations in a thorough and efficient manner, maintain Association facilities properly, and honor continuing obligations of the Association.

The Budget/Audit Commission shall be chaired by the Board of Directors' Treasurer and consist of two or more additional members. It shall be the duty of this commission to prepare an annual budget for the fiscal year beginning the first day of January for approval by the Board of Directors.

The Budget/Audit Commission's role will be to recommend to the Board of Directors:

1. Annual fees and assessments within the framework of an annual budget appropriation for R&R fund and Capital Fund projects;
2. The release of designated funds held in specific designated funds by the Association; and
3. The types and frequency of financial reports required to adequately perform its responsibilities.

A proposed budget requires the critical analysis by every member of the Board of Directors prior to approval; once adopted, the budget deserves the support of all members of the Board of Directors regardless of their position before its adoption.

The Board of Directors directs the General Manager to present the budget to the Board of Directors along with all available information associated with each budget in sufficient time to allow for proper analysis and discussion prior to the publication.

Cross-References: **Bylaws Article VIII, Section 1.e.**

Bylaws Article XIII, Section 7

Adopted:

Last Revised:

SECTION 6000

6230 - BUDGET PUBLISHING

The annual budget adopted by the Board of Directors represents the Board of Directors' position on the allocation of resources required to operate at an appropriate system level of operations. All reasonable means shall be employed by the Board of Directors to present and explain that position to all interested parties.

All meetings of the Board of Directors at which the Board of Directors proposes to act upon the annual budget of the Association or consider any annual or special assessments (referred to herein as Budget Matters) shall be held only after notice has been given to all members of the Board of Directors, all Voting Members and all Owners at least ten (10) days but not more than sixty (60) days, prior to such meeting, setting forth the date, time, and location of such meeting and the matter or matters to be acted upon by the Board of Directors at such meeting. Notice shall be sent to all Owners and Voting Members (i) by United States Mail, postage prepaid, sent to the recipient's address on file with the Association, or (ii) by hand delivery, or (iii) by any commonly used electronic media, including but not limited to, email or facsimile, pursuant to electronic communication policies adopted from time to time by the Board of Directors, provided that the recipient has provided the Association with his or her fax number or email address or other address for receipt of such electronic communication. Alternatively, instead of providing Owners and Voting Members individually with such notice, copies of such notices shall be published in *The Apple Core* and posted on the Association's website and at the administrative offices, or as otherwise authorized under applicable law.

Each member of the Board of Directors, the General Manager, and the Finance Manager shall be sufficiently acquainted with the budget and its underlying purposes to answer questions from members of the Association.

A simplified form of the budget may be prepared annually and may be sent to appropriate parties and distributed to each person attending the Board of Directors' meetings where budget matters are being discussed.

A simplified form of the budget will include the expenditure in each major category of current expense for the current year and the coming year and a summary of anticipated receipts as well as a brief explanation of significant increases and decreases from the preceding budget.

The final budget approved by the Board of Directors shall be made available to the membership in the form and places as required by CICAA.

Cross-References: 2017 Bylaws Article VIII (i) and (k)

Adopted:

Last Revised:

SECTION 6000

6231 – BUDGET IMPLEMENTATION

The Board of Directors places the responsibility of administering the budget, once adopted, with the General Manager.

The General Manager is authorized to proceed with making financial commitments, purchases, and other expenditures within limits provided in the budget, and any limitations stated specifically in Board policies.

Listings of expenditures, appropriate financial reports, and budget comparison reports shall be submitted monthly to the Board of Directors to keep members informed as to the status of the budget and overall financial condition of the Association.

If during the fiscal year, it appears to the General Manager that actual revenues are less than estimated revenues, including the available equity upon which the appropriations from the Operating, Capital Projects, and Renovation and Replacement (R&R) Funds were based, the General Manager shall present to the Board recommended amendments to the budget that will prevent expenditures from exceeding revenues. The General Manager shall ensure that such recommendations shall be in accordance with CICAA Section 1-45 (d): "If total common expenses exceed the total amount of the approved and adopted budget, the common interest community association shall disclose this variance to all its members and specifically identify the subsequent assessments needed to offset this variance in future budgets." Budget amendments must be approved by five (5) affirmative votes ~~by~~ ~~of~~ the Board of Directors.

Cross-Reference: Amended and Restated Bylaws 2021
CICAA Section 1-45(d)

Adopted:

Last Revised:

SECTION 6000

6235 - FUND BALANCE

The Board of Directors places the responsibility of administering the Operating, Capital Projects and R&R budgets, once adopted, with the General Manager. The General Manager shall monitor the fund balances of Operating, Capital Projects, and R&R funds and shall report the balance to the Board of Directors at the end of each budget year. The fund balances shall be maintained at a level sufficient to minimize or avoid short-term borrowing for cash flow purposes.

Fund balances will be reported in the categories established by generally accepted accounting principles (GAAP) and in consultation with the Association auditors. The Board of Directors will impose constraints on any funds placed in the committed and assigned classifications through consultation with the Association's auditor.

- A. Unrestricted – Undesignated: Net assets that are free of donor-imposed stipulations and include all revenues, expenses, gains and losses that are not charges in permanently or temporarily restricted net assets.
- B. Unrestricted – Designated: Net assets that are free of donor-imposed stipulations but have been designated by the Board of Directors for specific projects or investments and include all revenues, expenses, gains and losses related to such designated net assets.
- C. Unrestricted – **Designated Capital Projects Fund**: A portion of the annual assessment is designated by the Board of Directors for the Capital Projects Fund. This fund, along with interest earned, is to be used only for acquisition and construction of major capital projects.
- D. Unrestricted – **Designated Replacement and Renovation Fund (R&R)**: A portion of the annual assessment is designated for the Replacement and Renovation fund. This fund, along with interest earned, is to be used only for replacement and improvement expenditures.

If during the fiscal year, it appears to the General Manager that the fund balance will be less than estimated, the General Manager will bring forward to the Board of Directors for consideration recommendations that will protect the fund balances. Such recommendations shall be in accordance with the requirements of the law.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6320 - PURCHASING

It shall be the policy of the Board of Directors to control and approve any single capital item expenditure in the following manner.

- A. For expenditures up to \$5,000, it shall be the responsibility of the General Manager to use good judgment and prudent business procedures in making purchases.
- B. For expenditures between \$5,000 and \$25,000, the General Manager shall seek at least three competitive quotations, from which a recommendation shall be made by the General Manager to the Board of Directors for approval, taking into consideration:
 - o Purchase goods and services at the lowest cost consistent with specified quality and service levels
 - o Promote full competition from vendors through a standardized bidding process
 - o Comply with all local, state, and federal regulations
 - o Maintain continuity of supply to support the various services provided by the Association
 - o Maintain standards of quality in materials
 - o Avoid duplication, waste, and obsolescence with respect to materials and equipment
 - o Maintain the minimum investment in materials inventory needed to provide cost effective services.

Purchasing Policy Categories

Category A: Goods and services with a cost exceeding \$5,000

Formal written bids or proposals will be opened after an approved solicitation process including a public notice of the opportunity to submit bids or proposals. The purchase will be made from the vendors who submit the lowest bid or proposal in substantial compliance with the bid specifications or Request for Proposal. All purchases must be formally approved by the Board of Directors in advance and the Board of Directors may reject any and all bids and waive

technicalities in the bidding process.

Category B: Goods and services with a cost exceeding \$2,500 but less than, or equal to, \$5,000

Pricing information will be gathered through an approved process such as sealed bids, price negotiations, and written quotations. The purchase will be made from the vendor who offers the best value in substantial compliance with the bid specifications. All purchases must be approved by the General Manager. The General Manager may reject any and all bids and waive technicalities in the bidding process.

Category C: Goods and services with a cost exceeding \$250 but less than, or equal to, \$2,500

Pricing information will be gathered through an approved process such as price quotations or telephone solicitation. The purchase will be made from the vendor who offers the lowest price in substantial compliance with the bid specifications. All purchases must be approved by the General Manager. The General Manager may reject any and all bids and waive technicalities in the bidding process.

Category D: Goods and services with a cost less than or equal to \$250

Purchases may be made without price solicitation with the approval of the Department Manager. Purchases should be made from ACLPOA vendors if they provide competitive pricing.

For determining which purchase category to utilize, a cost is assumed to be the invoice cost. For example, the purchase of ten (10) items with a unit cost of \$200 a piece would be one Category C purchase rather than ten (10) Category D purchases.

Purchasing Policy Exceptions

Exception #1: Emergency

Purchases

Description:

The acquisition of goods and services when following the normal acquisition procedures would create an unacceptable delay in resolving an emergency situation. A delay is unacceptable if it would create an environmental hazard, place the Association members at risk, lead to increased damage to facilities or create a significant inconvenience for Association members. Examples include

major roof leaks and the unexpected failure of critical equipment or facilities.

Alternate Procedure:

The necessary goods and services will be acquired as quickly as possible. In the case of construction services, paid on a time and material basis. Goods and other services will be acquired from the vendor that can make the earliest delivery at reasonable prices.

Approval Process:

The initial acquisition will be approved by the General Manager. If the acquisition cost exceeds \$5,000, the bill or bills will be presented to the Board of Directors for approval prior to payment. If the cost is less than \$2,500 the bill or bills will be paid through the normal accounts payable process and the information will be reported to the Board of Directors after payment.

Exception #2: Travel and Training Expenses

Description:

Costs incurred while traveling on ACLPOA business and participating in training authorized by the General Manager as long as the costs are within the current year's approved budget. Trainer and training cost in excess of the current year's budget must be approved by the Board of Directors.

Alternate Procedure:

The ACLPOA regular Travel Policy as stated in the Employee Handbook will govern all purchases.

Approval Process:

Payments will be approved by the General Manager. Bills will be paid through the normal accounts payable process.

Exception #3: Payroll Payments

Description:

Payroll costs for employees authorized in the current budget.

Alternate Procedure:

Paychecks will be issued to employees at the end of the week following completion of a pay period.

Approval Process:

A payroll report will be approved by the General Manager.

Exception #4: Utility Bills

Description:

Bills for propane, electricity, water and communication services, such as cellular telephones, long distance telephone, and local telephone.

Alternate Procedure:

Utility bills in all amounts will be processed through the normal accounts payable process.

Approval Process:

Payments will be approved by the General Manager.

Exception #5: Health Insurance Reimbursements

Description:

Reimbursements to the ACLPOA health and insurance providers for payments made to medical professionals and program participants.

Alternate Procedure:

Individual payments are governed by the rules and regulations controlling the health insurance program.

Approval Process:

The General Manager will approve payments to medical providers.

Exception #6: Contract Payments except for Contracts for the Construction of Capital Improvements

Description:

Partial and final payments on all contracts, purchase orders, and agreements that have been previously approved by the Board of Directors unless the payment causes the total contract amount to exceed the original authorization by more than \$5,000

Alternate Procedure:

Payments in all amounts, unless the original contract amount will be exceeded by more than \$5,000 will be processed through the normal accounts payable process.

Approval Process:

Contracts exceeding \$5,000 will be approved in advance by the ACLPOA Board. Information about the payments will be presented to the ACLPOA Board after payment.

If a payment will cause the original contract amount to be exceeded by more than \$5,000 it will be submitted to the ACLPOA Board of Directors for approval prior to payment.

Exception #7: Contract Payments for the Construction of Capital Improvements

Description:

Partial and final payments on all contracts for capital improvements.

Alternate Procedure:

The General Manager shall authorize all change orders for less than 10% of the contract price, not to exceed \$10,000, for the construction of capital improvements. Any change that exceeds 10% of the original contract price or that exceeds \$10,000 must be approved by the Board of Directors.

Approval Process:

Final payments on all contracts for capital improvements will be submitted to the Board of Directors for approval prior to payment. The payment request form will include a listing of all approved change orders, the original contract amount and the current approved contract amount.

Exception #8: Debt Service

Description:

Cash required to cover the repayment of interest and principle on a debt for a particular period.

Alternate Procedure:

The payment schedules will be approved by the Board of Directors at the time the debt is incurred.

Approval Process:

The payments will be approved by the General Manager and made through the normal accounts payable process and the information will be reported to the Board of Directors after payment.

Exception #9: Temporary Employment Service Payments

Description:

Fees paid to temporary employment service contractors for temporary employees working in ACLPOA departments

Alternate Procedure:

Temporary service contracts are approved by the General Manager and a listing of contract service/seasonal employees is included in the budget. The short-term use of temporary employees to fill vacant, full-time positions is approved on a case-by-case basis by the General Manager.

Approval Process:

The payments will be approved by the General Manager and made through the normal accounts payable process.

Exception #10: Payments Required by State and Federal Law

Description:

Non-discretionary payments made to comply with state and federal laws such as unemployment compensation to the State of Illinois.

Alternate Procedure :

The payments are made pursuant to the applicable laws.

Approval Process:

The payments will be approved by the General Manager and made through the normal accounts payable process.

Exception #11: Pro Shop and Marina Purchases

Description:

Products purchased for the Pro Shop and Marina for resale

Alternate Procedure :

Twice a year (Spring and Fall) the Pro Shop and Marina management will get quotes from suppliers for the 20 most purchased items to verify that the Association is getting the best price possible from these vendors

Approval Process:

The payments will be approved by the General Manager and made through the normal accounts payable process.

Exception #12: Waiver of Purchasing Policy

Description:

The General Manager may waive the purchasing policy if it is in the best interest of the Association.

Alternate Procedure :

The General Manager cannot approve a purchase order where the purchasing policy has been waived in the best interest of the association

Approval Process:

The payments must be approved by either the Board President or the Board Treasurer, made through the normal accounts payable process, and the details surrounding the purchase will be reported to the Board of Directors after payment.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6330 - LEASING ASSOCIATION PROPERTY AND EQUIPMENT

The Board of Directors is authorized to lease Association property and equipment ~~not~~ needed for Association purposes to any person for any lawful use at a reasonable rental fee. Such Association property and equipment shall not be needed for Association purposes.

All agreements, contracts and actions to lease Association property and equipment must be approved by the Board of Directors.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6470 - PAYMENT OF INVOICES

The Board of Directors directs the prompt payment of legitimate invoices by suppliers of goods and services to the Association.

Each bill or obligation of the Association must be itemized fully, and verified before payment may be issued.

When an invoice is received, the General Manager and Finance Manager shall verify:

- verify that a check voucher or record of electronic payment is submitted properly;
- that acceptable goods were received or satisfactory services rendered;
- that the expenditure is included in the Board's budget; and
- that funds are available for its payment; and,
- that the amount of the invoice is correct.

Each verified invoice is to be paid within thirty (30) days or within the terms set by the supplier.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6510 - PAYROLL AUTHORIZATION

ACLPOA's total compensation program is designed to ~~attach~~ attract and retain talented employees. Within our financial resources, the Association offers a total compensation package consisting of:

1. Compensation Plan
 - a. Salaries that pay employees fairly for the duties they perform.
 - b. Salary ranges with minimums, midpoints and maximums, based on the median of nonprofit membership associations of similar size and scope in the Tri-State area and the Illinois Association of Lake Communities (IALC). Market data will be drawn from several nonprofit salary surveys. The General Manager will review salary ranges annually in conjunction with the departmental budget allocation process by department.
2. Benefits that are highly competitive with nonprofit membership organizations, including health and welfare benefits, retirement contributions, work week, flexibility and paid time off.
3. Work environment that supports employee excellence and the professional delivery of services and products for members, affiliates, sponsors, the profession, and public service.
4. A non-defined contribution plan that provides employees the potential for future financial security for retirement.
 - a. The General Manager may offer both an employee contribution and/or an employer match of an employee's own contribution to his/her retirement plan.
5. To recognize exceptional staff performance, the Board of Directors may, upon recommendation by the General Manager and Budget/Audit Commission consider designating a percentage of earned net income at the end of a fiscal year to provide a one-time payment of performance bonuses. Such bonuses may be awarded:
 - a. For the accomplishment of program goals that align with the Association strategic plan;
 - b. For the accomplishment of the Association's budget goals;

- c. For the completeness of a project which results in significant growth or success in a specific program area(s);
- d. For the successful completion of a major project; or,
- e. For any other employee performance deemed exceptional by the General Manger and Board of Directors.

The General Manager is empowered to recommend specific bonus amounts for each staff member and to present the bonus plan to the Board of Directors for approval.

Cross-References:

Adopted:

Last Revised:

SECTION 6000

6830 - AUDIT

The Board of Directors, in partnership with the Board Treasurer and Budget/Audit Commission requires that, after the close of the fiscal year, December 31, an audit of all accounts of the Association be made annually by an independent, certified public accountant. The audit examination shall be conducted in accordance with generally accepted auditing standards. The audit shall include all funds over which the Board of Directors has direct or supervisory control.

The auditor shall prepare and submit a detailed audit report to the Board of Directors. The auditor's report shall include:

- A. The audited financial **audit** statements for the fiscal year;
- B. A management letter;
- C. The auditor's communication with those charged with governance, including any significant findings or issues from the audit; and

The Budget/Audit Commission's Audit role will be:

1. Review and consult with the auditors on the annual audit of the Association books;
2. Review the adequacy and effectiveness of the accounting controls of the Association; and
3. Make recommendations for the improvement of internal control procedures and the correction of any significant financial reporting issues and practices.

The General Manager shall assure that the audit report is completed in a timely manner.

The Board of **Directors'** minutes shall reflect receipt of the annual audit report by the Board.

Cross-References: Bylaws Article VIII, Section 1.g.
Bylaws Article VIII, Section 7.c.
Bylaws Article VII, Section 7.c.
CICAA 765 ILCS 160/1-45 (b)(ii)

Adopted:

Last Revised:

New Business



Memorandum

To: Board of Directors

Date: December 1, 2021

From: Barb Hendren

Memo: 2021-102

Topic: General Manager's Compensation Package

Issue & Analysis: The Executive Committee is responsible for providing the General Manager with instructions, directions, goals and objectives regarding his/her duties within the scope of duties and authority delegated to the General Manager by the Board. The Executive Committee is to annually evaluate the General Manager's performance with input from all Board members, and recommend for the Board's approval of the annual evaluation and compensation package for the following year consistent with any employment agreement between the Association and the General Manager.

The Executive Committee met with Shaun Nordlie in June and December to review his short- and long-term goals. It was determined that Mr. Nordlie met his goals and will receive a commensurate bonus.

An evaluation has also been conducted on Mr. Nordlie's overall performance in his role as General Manager. The performance evaluation is based on Mr. Nordlie's job description. The performance evaluation is the basis for which the 2022 salary compensation is determined. The Board of Directors have discussed and agreed on an appropriate increase for Mr. Nordlie's 2022 salary.

Recommendation: To approve Mr. Nordlie's compensation package, as agreed upon by the Board of Directors.



Memorandum

To: Board of Directors

Date: December 1, 2021

From: Barb Hendren

Memo: 2021-103

Topic: General Manager's Performance Goals 2022

Issue & Analysis: It is the responsibility of the Executive Committee to provide the General Manager with instructions, directions, goals and objectives regarding his or her duties within the scope of duties and authority delegated to the General Manager by the Board. The Executive Committee is also charged to annually evaluate the General Manager's performance with input from all Board members, and recommend for the Board's approval the annual evaluation and a compensation package for the following year consistent with any employment agreement between the Association and the General Manager.

The Executive Committee met with Shaun Nordlie, GM, in December 2021 to set his short- and long-term goals for 2022. The Executive Committee will review the Goals with the General Manager periodically throughout the year. An evaluation will be conducted on Mr. Nordlie's overall performance in his role as General Manager and will serve as the basis for which the 2023 salary compensation is determined.

Recommendation: To approve the 2022 Job Performance Goals for Shaun Nordlie recommended by the Executive Committee for the General Manager.



Memorandum

To: ACL Board

Date: December 10, 2021

From: Shaun Nordlie

Memo #: 2021-106

Topic: Recording of the Amended and Restated Bylaws (2020 Version)

Analysis: The proposed Amended and Restated Bylaws (2020 Version) were sent to the Voting Members for a vote in January 2021. At the Special Meeting of the Voting Members held on February 6, 2021, a quorum was reached for the Bylaws and the vote was closed. The Bylaws were not recorded at the time that they passed. We were waiting for the Declaration voting to finish in order to record both documents together. Now that the Declaration voting has been stopped, it is time to record the Bylaws.

Recommendation: To approve the recording of the Amended and Restated Bylaws (2020 Version) in the Office of the Recorder of Deeds, Jo Daviess County, Illinois. This instrument is recorded for the purpose of replacing, in its entirety, the Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws (hereinafter referred to as the "2017 Bylaws"), recorded on November 21, 2017 as Document No. 396754 in the Office of the Recorder of Deeds, Jo Daviess County, Illinois.

November 21, 2020

APPLE CANYON LAKE PROPERTY OWNERS' ASSOCIATION

AMENDED AND RESTATED BYLAWS

2020 Version

PREAMBLE

This instrument is recorded for the purpose of replacing, in its entirety, the Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws (hereinafter referred to as the "2017 Bylaws"), recorded on November 21, 2017 as Document No. 396754 in the Office of the Recorder of Deeds, Jo Daviess County, Illinois.

This Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws is adopted pursuant to the provisions of Article XVII, Sections 1 and 2 of the 2017 Bylaws. This Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws, the text of which is set forth below, shall become effective following its approval by the affirmative vote of two-thirds (2/3) of the votes cast by the Voting Members voting at a regular or special meeting of the Voting Members, provided that notice of such meeting shall be sent to all Voting Members at least fourteen (14), and not more than forty (40), days in advance of such meeting, and upon its recording in the Office of the Recorder of Deeds, Jo Daviess County, Illinois.

This Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws, as adopted, shall be included among Apple Canyon Lake Property Owners' Association Governing Documents, as amended from time to time, sometimes described as "Community Instruments", which shall be understood to mean all of the following. In the event of any inconsistency in the provisions of any of the Governing Documents, the lower numbered document shall control:

1. Illinois Common Interest Community Association Act ("CICAA") (765 ILCS 160/1-1 et. seq.)
2. Illinois General Not-For-Profit Corporation Act (805 ILCS 105/101.01 et. seq.)
3. Articles of Incorporation
4. Declaration
5. Bylaws
6. ACL Building and Environmental Code
7. Board Approved Policies
8. Rules and Regulations
9. Board Approved Committee/Commission Operations and Procedures

RECITALS

WHEREAS, the Apple Canyon Lake Property Owners' Association (hereinafter referred to as the "Association"), through its Board of Directors, administers the property legally described in Exhibit "A", which is attached hereto and made a part hereof (hereinafter referred to as "The Properties", as further defined in the Declaration);

WHEREAS, the 2017 Bylaws were recorded on November 21, 2017 as Document No. 396754 in the Office of the Recorder of Deeds, Jo Daviess County, Illinois;

WHEREAS, the Board and the Owners of the Association desire to amend and restate the 2017 Bylaws, replacing it, in its entirety, with this Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws;

WHEREAS, this Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws is adopted pursuant to Article XVII, Sections 1 and 2 of the 2017 Bylaws, having been approved by the affirmative vote of two-thirds (2/3) of the votes cast by the Voting Members voting at a regular or special meeting of the Voting Members, following notice of such meeting sent to all Voting Members at least fourteen (14), and not more than forty (40) days in advance thereof; and

WHEREAS, this Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws shall become effective upon recordation in the Offices of the Recorder of Deeds of Jo Daviess County, Illinois.

NOW THEREFORE, the 2017 Bylaws are hereby amended and restated as follows:

ARTICLE I DEFINITIONS

Section 1. All capitalized terms used, but not otherwise defined in these Apple Canyon Lake Property Owners' Association Amended and Restated Bylaws (hereinafter referred to as the "Bylaws") which are defined in the Amended and Restated Declaration of Covenants and Restrictions for Apple Canyon Lake Property Owners' Association, as amended from time to time, (hereinafter referred to as the Restated Declaration) shall have the same meaning when used in these Bylaws.

Section 2.

- a. CICAA shall mean the Common Interest Community Association Act (765 ILCS 160/1 et. seq.) as hereafter amended or supplemented under applicable Illinois law.
- b. "Articles of Incorporation" shall mean the Restated Articles of Incorporation approved by the Voting Members of the Association, as amended.
- c. "*The Apple Core*" shall mean the newspaper published periodically (typically monthly) by the Association and sent postage prepaid via the United States Postal Service to all Owners and Voting Members at their last known address, and

available on the Association website as of the date of publication and mailing, which contains notices of all regular and special meetings of the Association's Voting Members and its Board of Directors, and information, news and commentary with respect to the Common Properties and Facilities, and the activities, finances and projects of the Association. Publication of notices of meetings, Association documents, including but not limited to the annual budget, annual and special dues and assessments, fees, minutes of the meetings of the Board and the Committees and Commissions of the Association shall constitute notice as required by law and Association's Governing Documents, which shall be deemed to have been sent to all Owners and Voting Members on the day it is mailed. The Board shall adopt policies regarding the publication of any and all materials to be printed in *The Apple Core*, which shall be administered by the Editorial Review Commission. (See Article XI, Section 18.)

- d. "Voting Member Ticket" shall mean a petition signed by fifty (50) Voting Members which identifies the name(s) of the Owner whose name is to be added to the Ballot by the Nominating Committee along with all other candidates to be elected to the Board by the Voting Members at the next election, as provided in Article VI, Section 5 of these Bylaws.
- e. "Ballot Envelope" shall mean an envelope clearly designated on the outside as a Ballot Envelope, which shall be used by Voting Members to insert the Written Ballot(s) the Voting Member(s) is casting in any election. The Ballot Envelope shall contain no information that would identify the Voting Member using it or the nature of the vote being cast by said Voting Member.
- f. "Return Envelope" shall mean an envelope prepared by the Association and sent to each Voting Member for the purpose of being used for the return of Ballot Envelopes to the Association in connection with all votes being conducted by the Association. All Return Envelopes shall be addressed to the offices of the Association, and shall have clearly designated on the outside the identity of the Voting Member to whom it was sent, and the identification of each Lot or Dwelling for which the Voting Member has the right to cast Written Ballots.
- g. "Nominating Committee Guidelines" shall mean the written procedures adopted by the Nominating Committee and approved by the Board that shall be followed by the Nominating Committee in the recruitment and interviewing of candidates for the Board, and for providing the Voting Members with all relevant information concerning those candidates who seek to be elected to the Board at the next annual meeting. (See Article XI, Section 10.)
- h. "Tellers Commission Guidelines" shall mean the written procedures adopted by the Tellers Commission and approved by the Board prior to the annual meeting that shall be followed by the Tellers Commission when it counts all Written Ballots cast on all matters during that year. (See Article XI, Section 17(a).)

ARTICLE II MEMBERSHIP

Section 1. Membership. Membership in the Association shall be as provided in Article IV, Section 1 of the Restated Declaration.

Section 2. The membership rights of any Natural Person who is the legal or equitable Owner of any Lot, or is the designated Member of any Lot owned by a Legal Entity, or of any Occupant are subject to the payment of any and all annual and special assessments on all Lots and Dwellings owned by said Owner. Whether or not he or she is personally obligated to pay such dues or assessments, any Member's rights to use the Common Properties and Facilities may be suspended by action of the Board during the period when the dues or assessments remain unpaid. Upon payment of the unpaid dues and assessments, his or her rights and privileges shall be automatically restored.

Section 3. Pursuant to Article V, Section 3 of the Restated Declaration, the Board may from time to time adopt and publish Rules and Regulations governing the use of the Common Properties and Facilities, the Properties, the Lots and Dwellings and the personal conduct of persons using all of the same. The Board in its discretion may levy fines, penalties or other charges and/or suspend the Owner's/ right to use such Common Properties and Facilities for violation of such Rules and Regulations.

The Board may adopt such rules, regulations, guidelines and procedures from time to time, and provide for the creation of an appeals board to which Owners who are issued citations for the violation of any rule or regulation may appeal. (See, Article VII, Section, 1(k), (l).)

ARTICLE III VOTING RIGHTS

The voting rights of Members are as set forth in Article IV, Section 2, of the Restated Declaration.

ARTICLE IV ASSOCIATION PURPOSES AND POWERS

Section 1. The Association has been organized for the purposes as set forth in Article 5 of the Articles of Incorporation and for the purposes as outlined within the Restated Declaration.

Section 2. Additions to the Properties may be made only in accordance with the applicable provisions of the Restated Declaration. The Association shall have power to dispose of the Common Properties and Facilities and the Reserved Properties only as authorized by the applicable provisions of the Restated Declaration.

Section 3. Subject to the applicable provisions of the Restated Declaration, and to the extent provided by law, the Association may participate in mergers and consolidations. Any such merger shall be adopted only upon a resolution adopted by the Board of Directors and approved by at least two-thirds of the votes cast by the Voting Members at a special meeting of the Association duly called for such purpose, written notice of which shall be given at least ten (10) and not more than thirty (30) days in advance to all Voting Members. At any such meeting a quorum shall consist of twenty percent (20%) of the votes of all Voting Members eligible to vote at such meeting.

Section 4. Subject to the following sentence, the Association may incur indebtedness for borrowed money or mortgage, pledge or grant security interests in the Common Properties and

Facilities as determined from time to time by the Board of Directors. The Association shall not incur indebtedness in an amount that would result in the total principal amount of all indebtedness of the Association then outstanding, after giving effect to such incurrence, to exceed the total annual assessments, fees and other revenue of the Association from all sources for the most recently completed fiscal year of the Association, without the prior approval of a majority of the votes cast by the Voting Members at a Special Meeting of the Association duly called for such purpose, written notice of which shall be given at least ten (10) and not more than thirty (30) days in advance of said meeting. At any such meeting a quorum shall consist of twenty percent (20%) of the votes of all Voting Members.

Section 5. The Association may be dissolved only upon a resolution adopted by the Board of Directors and approved by at least two-thirds (2/3) of the votes cast by the Voting Members at a special meeting of the Association duly called for such purpose, written notice of which shall be sent at least sixty (60) days in advance of said meeting. At any such meeting a quorum shall consist of twenty percent (20%) of the votes of all Voting Members. Upon dissolution of the Association, the Common Properties and Facilities and the Reserved Properties shall be dedicated to an appropriate public entity to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, the Common Properties and Facilities and the Reserved Properties shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. No such disposition shall be effective to divest or diminish any right or title of any Owner vested in such Owner under the Restated Declaration unless made in accordance with the applicable provisions of the Restated Declaration.

ARTICLE V BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be managed by a Board of Directors (hereinafter referred to as the Board) each of whom must be an Owner and/or a Voting Member of the Association while serving on the Board. If there are multiple Owners of a single Lot, only one of the multiple Owners shall be eligible to serve as a member of the Board at any one time, unless the Owner owns another Lot independently.

Section 2. The Board shall consist of nine (9) members, three (3) of whom are elected by the Voting Members of the Association at each annual meeting and shall hold office for a term of three (3) years or until their successors are elected or appointed, and shall not be compensated for their service, but may be reimbursed for reasonable expenses actually incurred. No member of the Board may be engaged as an employee of the Association. Upon the adoption of the Bylaws all Board members who are then serving terms shall continue to serve until the annual meeting in June of the year when the term he or she is then serving expires.

Vacancies on the Board may be filled by a two-thirds (2/3) vote of the remaining members of the Board until the next annual meeting of Voting Members or until Voting Members holding twenty percent (20%) of the total votes of the Association request a special meeting to fill the vacancy for the balance of the term. If a special meeting is called to fill the vacancy, the special meeting shall be held no later than thirty (30) days following the filing of the petition for the Special

Meeting. Notice shall be given pursuant to Article XIII, Section. 3. If the Board is unable to fill the vacancy or if there are no longer at least six (6) Board members, the remaining Board members shall call a special election within ninety (90) days of the vacancy occurring to fill the vacancies.

Section 3. New Board members shall as soon as practicable after being elected or appointed, complete a form providing the General Manager with his or her regular mailing address, telephone and fax number(s) and email address(s), if applicable. Any changes shall be communicated to the General Manager promptly.

ARTICLE VI VOTING PROCEDURES ELECTION OF DIRECTORS

Section 1. Election to the Board and votes on all matters and issues requiring a vote of the Voting Members shall be by Written Ballot as described in Article XIV and as provided herein. On any vote requiring approval of the Voting Members or on any election, the Voting Member may cast, in respect to each issue being voted upon, or for each Board vacancy, as many votes as he or she is entitled to exercise under the provisions of Article III of these Bylaws. The Owners receiving the largest number of votes shall be elected to the Board. In case of a tie, the outcome shall be determined by a coin toss conducted by the General Manager at the annual meeting.

Section 2. Nominations for election to the Board shall be made by a Nominating Committee described in Article XII, Section 10 of the Bylaws. Nominations may also be made by petition on a Voting Members Ticket as provided in Section 5 below.

Section 3. The Association shall maintain a current list of all Voting Members, which shall identify every Lot or Dwelling for which an individual is designated as the Voting Member. The Association shall send by first class mail in one envelope to each Voting Member the number of Written Ballots said Voting Member is entitled to cast, along with the Notice of the annual or special meeting and a description of the candidates who were nominated for election to the Board, or a description of the issue to be voted upon. Written Ballots shall be mailed to the Voting Members at least thirty (30) days but not more than forty-five (45) days in advance of the date on which the Written Ballot is to be cast.

Each Voting Member shall receive as many Written Ballots as he or she has votes. Notwithstanding that a Voting Member may be entitled to several votes, he or she shall exercise on any one Written Ballot only one vote for each vacancy shown thereon, or each issue described thereon. In the event that multiple positions on the Board are up for election at an election meeting, the Voting Member need not cast a vote on the Written Ballot for a candidate to fill every Board position which is up for election, but may not cast more than one (1) vote on each Written Ballot for any particular candidate. Cumulative voting shall not be permitted. The completed Written Ballots shall be placed in the Ballot Envelope provided and returned in the Return Envelope provided.

Section 4. Upon receipt of each Return Envelope, the General Manager shall verify that the Voting Member whose name appears on the Return Envelope is authorized to cast Written Ballots for each Lot or Dwelling listed on the outside of the Return Envelope. The Return Envelopes shall

be placed in a secure place until the date set for the annual or special meeting at which the votes are to be counted. On that day, the Return Envelopes containing the Ballot Envelopes shall be given, unopened, to the Tellers Committee. Written Ballots may also be cast in person on the day of the annual meeting or special meeting, up until the deadline for casting a vote, by placing the Written Ballot within the Ballot Envelope into the designated ballot box after the Voting Member's right to vote has been verified by the Tellers Committee. A Voting Member who had previously submitted a Return Envelope prior to the meeting at which the Written Ballots are to be counted, may, upon verification of said Voting Member's eligibility to vote and up until the deadline for casting a vote, request that his or her Return Envelope be returned and that a new Written Ballot(s) and a new Ballot Envelope be supplied to permit such Voting Member to submit a new Ballot Envelope and a new Written Ballot.

Section 5. Voting Members Ticket. Additional nominations of eligible Owners or Voting Members for election to fill one of the vacancies on the Board, which shall be known as a Voting Members Ticket may be made by Voting Members having at least fifty (50) total votes in the Association presenting a signed petition to the chair of the Nominating Committee not less than sixty (60) days preceding the date of the annual meeting. The Voting Members Ticket shall identify the name of the Owner or Voting Member and, if he or she meets the qualifications of Article V, Section 1, then his or her name shall be included on the Written Ballot sent to all Voting Members.

Section 6. If no election is held to elect Board members within the time period specified in these Bylaws, or within a reasonable amount of time thereafter, not to exceed ninety (90) days, then Voting Members having at least twenty-percent (20%) of the total votes in the Association may bring an action to compel compliance with the election requirements specified in the Bylaws. If the court finds that an election was not held to elect members of the Board within the required period due to the bad faith acts or omissions of the Board, the Voting Members shall be entitled to recover their reasonable attorney's fees and costs from the Association. If the relevant notice requirements have been met and an election is not held solely due to a lack of a quorum, then this Section 6 does not apply.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall exercise for the Association all powers, duties and authority vested in the Association by law, including but not limited to the provisions of CICAA, as amended and in effect from time to time, or by the Restated Declaration, or by the Bylaws, as amended and in effect from time to time, except for such powers, duties and authority reserved by law or by the Restated Declaration to the Voting Members.

The duties of the Board shall include, but not be limited to the following:

- a. To elect from the Board members at the first meeting following the annual meeting the President, Vice-President, Treasurer and Secretary, and appoint such other persons who are authorized to serve as Assistant Treasurer or Assistant Secretary, and define their duties.
- b. To meet at least four (4) times annually.

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- c. To provide for the operation, care, upkeep, maintenance, replacement and improvement of the Common Properties and Facilities and the Reserved Properties and Facilities, including the method of approving payment vouchers.
- d. To provide sound financial planning and financial controls, including adopting authorizations identifying those persons who are authorized to sign Association checks and other corporate documents and to direct the financial affairs of the Association, and obtain adequate and appropriate insurance, and approve the annual budget for the Association.
- e. To prepare and adopt each year an annual budget which shall identify the Association's projected income and expenses for the next year, which shall include an appropriate amount for the repair and replacement of the Association's Common Properties and Reserved Properties, its facilities and equipment, and shall provide an indication of which portions are intended for reserves, capital expenditures, repairs and the payment of real estate taxes. The annual budget shall include a statement of the annual assessment to be paid by the Owners for the next year, and the fees to be charged for the next year. A copy of the proposed annual budget shall be communicated to each Owner/Voting Member at least thirty (30) days, but not more than sixty (60) days, prior to the meeting of the Board at which the budget is adopted,
- f. To provide all Owners/Voting Members with a reasonably detailed summary of the receipts, common expenses and reserves for the preceding budget year.
- g. To either (i) make available for review to all Owners/Voting Members an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital expenditures or repairs or payment of real estate taxes with a tabulation of all amounts collected, stating the net excess or deficit of income over expenditures plus reserves; or (ii) provide a consolidated annual independent audit report of the financial status of all fund accounts of the Association.
- h. To maintain a current roster of all Lots and Dwellings, all of the Owners thereof, the Voting Member designated for each Lot and Dwelling, and the annual and special assessments applicable thereto. Such records shall be kept in the office of the Association and shall be open for examination and copying at convenient hours of weekdays by any Owner or their authorized agent. To prepare an annual directory of the names and addresses of all Owners and make it available to all Owners upon request and the payment of a reasonable fee.
- i. To borrow such amounts as are required to preserve and maintain the Common Properties and Facilities in accordance with the provisions of Article IV, Section 4 of the Bylaws.
- j. To adopt, publish and make available to the Owners and Voting Members rules and regulations governing the use of the Common Properties and Facilities, the Properties, the Lots and Dwellings and the personal conduct of the Owners, Members, their Occupants and their guests while thereon.
- k. To suspend the enjoyment rights of any Owner for any period not to exceed ninety (90) days for any infraction of its published rules and regulations after the Owner has been given notice of the infraction and an opportunity to be heard.

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l. To establish fines for noncompliance with the Restated Declaration, the Bylaws and the Rules and Regulations, after the Owner has been given notice of the infraction and an opportunity to be heard.

m. To maintain and make available for inspection and copying those Association records outlined within Section 1-30(i) of the CICAA. Such records shall be kept in the office of the Association and shall be open for examination and copying at convenient hours of weekdays by any Owner or their authorized agent, upon payment of a reasonable charge.

n. To call special meetings of the Voting Members whenever it deems necessary, or at any time upon the written request of Voting Members having at least one-hundred twenty-five (125) of the total votes in the Association.

o. To appoint and remove, with or without cause, all officers, agents, and the General Manager of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as may be required by law or as deemed appropriate by the Board.

p. To obtain and maintain fidelity insurance covering persons who control or disburse funds for the Association for the maximum amount that is commercially available or reasonably required to protect funds that are in the custody and control of the Association.

q. To exercise oversight and direction over the General Manager's performance, to evaluate annually the General Manager's performance, and to provide the General Manager with a written evaluation report.

r. To cause an appropriate officer to issue, upon demand by any person and upon payment of a reasonable service fee as determined by the Board, a certificate setting forth whether any and all assessments applicable to any Lot or Dwelling have been paid. Such certificate shall be conclusive evidence that any assessment therein stated to have been paid, has been paid.

s. In the event of any resale of any Lot or Dwelling, to make available for inspection to the prospective purchaser, upon demand, all such documents as required by law including, but not limited to:

1. A copy of the Restated Declaration, the Bylaws, and all Rules and Regulations.
2. A statement of any liens or unpaid assessments, dues or other charges due and owing from said property.
3. A statement of any capital expenditures anticipated by the Association within the current or succeeding two (2) fiscal years.
4. A statement of the status and amount of any reserve for replacement fund and any portion of such fund earmarked for any specified project by the Board.
5. A copy of the statement of financial condition of the Association for the last fiscal year for which such a statement is available.
6. A statement of the status of any pending suits or judgments in which the Association is a party.

7. A statement setting forth what insurance coverage is maintained by the Association.

The General Manager shall furnish the required documents within thirty (30) days of receiving a written request for such information. Charges for retrieving and copying any such records shall be made pursuant to CICA Section 1-30(i)(3).

- t. To analyze trends and provide long-range plans for the future of the Association.
- u. To determine and establish Board policies related to basic operation of the Association.
- v. To provide for official publications of the Association, including but not limited to *The Apple Core* and the ACLPOA website.
- w. To delegate any of its powers in the course of operation to any Committee, officer, employee or agent as permitted by law.

ARTICLE VIII BOARD MEETINGS

Section 1. *Regular Meetings.* A Regular Meeting of the Board of Directors shall be held not less than four (4) times each year at such times as the Board may fix. The date, time and location of all regular meetings shall be posted and published in *The Apple Core*, at the administrative offices and on the Association's website at least forty-eight (48) hours prior to the meeting. If a Regular Meeting needs to be rescheduled, the date, time and location of the rescheduled meeting shall be posted on the Association's website and at the clubhouse at least forty-eight (48) hours prior to the meeting.

Section 2. *Special Meetings.* Special Meetings of the Board may be called by the President, or at least twenty-five percent (25%) of the members of the Board. Notices of Special Meetings of the Board shall be given to all members of the Board, Owners and Voting Members at least forty-eight (48) hours prior to such meeting setting forth the date, time, location of such meeting and the matter or matters to be acted upon by the Board at such meeting. Notice shall be given by either (i) United States Mail, postage prepaid, sent to recipient's address on file with the Association, or (ii) by hand delivery, or (iii) by any commonly used electronic media, including but not limited to, email or facsimile, pursuant to electronic communication policies adopted from time to time by the Board, provided that the recipient has provided the Association with his or her fax number or email address or other address for receipt of such electronic communication. Alternatively, instead of providing Owners individually with such notice, copies of such notice shall be posted at the administrative offices and on the Association's website at least forty-eight (48) hours prior to such Special Meeting.

Section 3. *Meetings Concerning Budget Matters.* All meetings of the Board at which the Board proposes to act upon the annual budget of the Association or consider any annual or special assessments (referred to herein as Budget Matters), shall be held only after notice has been given to all members of the Board, all Voting Members and all Owners at least ten (10) days but not more than sixty (60) days, prior to such meeting, setting forth the date, time and location of such meeting and the matter or matters to be acted upon by the Board at such meeting. Notice shall be sent to all Owners and Voting Members (i) by United States Mail, postage prepaid, sent to recipient's address on file with the Association, or (ii) by hand delivery, or (iii) by any commonly

used electronic media, including but not limited to, email or facsimile, pursuant to electronic communication policies adopted from time to time by the Board, provided that the recipient has provided the Association with his or her fax number or email address or other address for receipt of such electronic communication. Alternatively, instead of providing Owners and Voting Members individually with such notice, copies of such notices shall be published in *The Apple Core* and posted on the Association's website and at the administrative offices, or as otherwise authorized under applicable law.

Section 4. *Attendance Constitutes Waiver of Notice.* The presence of any Board member or Voting Member at any meeting shall constitute a waiver of the form and time of notice, unless said person states that he or she is present solely to object to the notice, and does not thereafter vote in respect of any action taken at such meeting.

Section 5. *Purpose of Special Meetings.* The purpose of each Special Meeting shall be set forth in the notice and publication of such Meeting as provided in Section 2 of this Article. No business may be transacted at any special meeting, except that mentioned in the Notice of such meeting. No action of the Board of Directors can conflict with any official action taken by the Voting Members at a regular Annual or Special Meeting of the Voting Members.

Section 6. *Owner's and Voting Member's Comments.* A portion of every meeting of the Board must be reserved for comments by the Owners and Voting Members, provided, however, the duration and meeting order for Owners and Voting Members' comments is within the sole discretion of the Board.

Section 7. *Meetings Open to Owners and Voting Members.* All regular and special meetings of the Board shall be open to all Owners and Voting Members. All Association business is to be conducted at open meetings, except when the Board determines in its discretion to meet in executive session, either associated with a noticed meeting or separately from a noticed meeting, for the following purposes:

- a. to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal or when the Board finds that such an action is probable or imminent;
- b. to discuss third-party contracts or information regarding appointment, employment, engagement or dismissal of an employee, independent contractor, agent, or other provider of goods and services;
- c. to interview a potential employee, independent contractor, agent or other provider of goods and services;
- d. to discuss violations of the Association's rules and regulations;
- e. to discuss an Owner's failure to pay any annual or special assessment, or common expenses due the Association; or
- f. to consult with the Association's legal counsel.

Any vote on these matters shall be taken at a meeting or portion thereof open to the Owners and Voting Members.

Section 8. *Participation by Telephone.* Members of the Board may participate in any meeting by the use of any means of communication, including audio conference or conference telephone call, by which all Board members participating in the meeting may simultaneously hear each other, and participation in a meeting in such manner shall constitute presence in person at the meeting.

Section 9. *Quorum.* A quorum shall consist of a majority of the members of the Board, incumbent at such time. In no case shall fewer than five (5) votes carry any question voted upon by the Board.

Section 10. *Unanimous Board Written Consent.* Any action required by law, the Restated Declaration or these Bylaws to be, or which may be, taken at a meeting of the Board may be taken without a meeting if a unanimous consent in writing, setting forth the action so taken, shall be signed by all Board members entitled to vote with respect to the subject matter.

ARTICLE IX REMOVAL OF DIRECTORS

Section 1. One or more members of the Board of Directors may be removed by the affirmative vote of two-thirds (2/3) of the total Voting Members in the Association at a duly called special meeting of the Voting Members pursuant to this Article IX.

Section 2. The call for removal may be made by any four (4) or more members of the Board, or upon written request of Voting Members having at least one hundred twenty-five (125) of the total votes in the Association. Such call for removal shall specifically name the Board member(s) whose removal is sought. If such a call for removal takes place, then a special meeting of the Voting Members shall be called, within sixty (60) days of the call for removal having been received, for the purpose of voting on the removal of the Board member(s) named in the call for removal. The meeting notice for such special meeting shall state that a purpose of the special meeting is to vote upon the removal of the Board member(s) named in the meeting notice. Only the Board member(s) named in meeting notice may be removed at such meeting. At such meeting, prior to the vote for removal taking place, the individuals seeking removal of the Board member(s) shall be given an opportunity to present their reason(s) for seeking such removal and the Board member(s) whose removal is sought shall be given an opportunity to present their defense(s). The vote shall be taken pursuant to Article VI.

ARTICLE X OFFICERS

Section 1. The officers shall be President, Vice President, Secretary, and Treasurer, each of whom shall be elected from among the members of the Board (the Executive Officers), and such other officers as the Board may elect from time to time from among the Board. To the extent permitted by CICA and other applicable law, the Board may delegate any of the duties of any one officer to or among any one or more other officers, or to the General Manager, as the Board

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may from time to time determine, provided that the duties of the Executive Officers as members of the Executive Committee may not be delegated.

Section 2. The Executive Officers of the Association shall be elected annually by a majority vote of the members of the Board at the first meeting of the Board following the Annual Meeting of Owners. All officers shall hold office until their successors are elected or until they resign or are removed.

Section 3. All officers shall hold office at the pleasure of the Board and may be removed from office at any time, with or without cause, by a majority of the Board.

Section 4. The President shall:

- a. Call to order and preside at all meetings of the Board, the Executive Committee, and of the Voting Members and announce the results of all votes taken at all such meetings.
- b. Approve the election of the chair of each Standing Committee/Commission who was elected by the committee/commission members.
- c. See that all lawful orders and resolutions of the Board are carried out.
- d. Be a member, *ex officio* without vote, of all Standing Committees/Commissions and special committees/commissions of the Board or the Association.
- e. Sign all notes, leases, contracts, mortgages, deeds, and other written instruments approved by the Board.
- f. Have the authority to co-sign all checks along with any one of the other signatories authorized by the Board.

Section 5. The Vice President shall perform all the duties of the President in his or her absence.

Section 6. The Secretary shall:

- a. Be the Secretary of the Board and Secretary of the Association.
- b. Cause the minutes of all meetings of the Board and of the Voting Members to be kept and, in general, perform all the duties incident to the office of secretary.
- c. Have the authority to co-sign all checks along with any one of the other signatories authorized by the Board, except payroll and notes of the Association.
- d. In the absence of the President and Vice President, call the meeting to order and preside until the election of a chairman *pro tem*, making this action the first item on the agenda.

Section 7. The Treasurer shall:

- a. Keep the financial records and books of account.

- b. Have the authority to co-sign all checks along with any one of the other signatories authorized by the Board, except payroll and notes of the Association.
- c. See that full and accurate financial records are kept and audited annually by a Certified Public Accountant at the completion of each fiscal year.
- d. Report the financial status of the Association to the Board of Directors as requested and to the Owners and Voting Members at the annual meeting.
- e. Present to the Owners and Voting Membership at the regular annual meeting a copy of the budget for the current year and the financial statements for the preceding year.
- f. Be the chair of the Budget/Audit Commission

ARTICLE XI COMMITTEES/COMMISSIONS

Section 1. The Board, by resolution adopted by a majority of the Board, may designate one (1) or more committees. Except for the Nominating Committee, each such committee shall consist of at least two (2) or more Board directors and may also consist of Owners, , Voting Members or the spouses of same; provided, however that the majority of the members of each such committee shall be Board directors. Such committees, to the extent consistent with law and as provided in said resolution or as otherwise provided in this Article, shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and the delegation thereof of authority shall not operate to relieve the Board, or any individual member of the Board, of any responsibility imposed upon it or him or her by law. The members of each committee shall be appointed by the Board and serve solely at the direction of the Board. Any member thereof may be removed by the Board whenever in its judgment the best interests of the Association shall be served by such removal.

Section 2. The Board, by resolution adopted by a majority of the Board, may designate one (1) or more commissions, which commissions may not act on behalf of the Association or bind the Association to any action, but may make recommendations to the Board. The members of the commission need not be Board directors but must be Owners, , Voting Members or the spouses of same and shall be appointed by the Board. Any member thereof may be removed by the Board whenever in its judgment the best interests of the Association shall be served by such removal.

Section 3. Each member of a committee or commission shall continue as such until the next annual meeting of the Board and until his or her successor is appointed and shall have qualified, unless the committee or commission shall be sooner terminated, or unless such member shall cease to qualify as a member thereof.

Section 4. One (1) member of each committee and commission shall be chosen as chairperson annually by the committee/commission members.

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Section 5. Vacancies in the membership of any committee or commission may be filled by appointment made in the same manner as provided in the case of the original appointments.

Section 6. Unless otherwise provided in this Article or in the resolution of the Board designating a committee or commission, a majority of the whole committee or commission shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee or commission.

Section 7. Each committee or commission may adopt rules for its own governance not inconsistent with the Restated Declaration, these Bylaws or with the rules and regulations adopted by the Board.

Section 8. The Standing Committees/Commissions of the Association shall be:

- Executive Committee
- Nominating Committee
- Architectural and Environmental Control Committee
- Recreation Commission
- Budget/Audit Commission
- Conservation Commission
- Legal Commission
- Rules and Regulations Commission
- Tellers Commission
- Editorial Review Commission
- Strategic/Long Range Planning Commission
- Appeals Board Commission

Unless otherwise provided herein, the members of each committee/commission shall be appointed by the Board, and may be removed by the Board at any time, and shall consist of a chair, a vice-chair and a secretary, who shall be elected by the members of the committee/commission and two or more additional members. The Board may appoint a Board member as a full member to any committee/commission, who shall be liaison to the Board.

Section 9. The Executive Committee shall:

- a. Consist of the four Executive Officers elected by the Board.
- b. Have supervision over the General Manager's performance.
- c. Provide the General Manager with instructions, directions, goals and objectives regarding his or her duties within the scope of duties and authority delegated to the General Manager by the Board.
- d. Annually evaluate the General Manager's performance with input from all Board members, and recommend for the Board's approval the annual evaluation and a compensation package for the following year consistent with any employment agreement between the Association and the General Manager.

- e. Provide the General Manager with a written evaluation report along with a compensation package each year.
- f. Maintain a personnel file on the General Manager documenting any contract changes, job description changes, and all annual or interim performance evaluations.

Section 10. The Nominating Committee shall consist of seven (7) Owners or Voting Members appointed by the Board at the Board meeting preceding the regular annual meeting. Said Nominating Committee shall serve for the year following the next annual meeting. The Board shall make an earnest attempt to appoint to the Nominating Committee Owners or Voting Members who are representative of all of the subdivisions of the Association, with at least one of them being a current Board member.

This Nominating Committee shall serve from the close of such annual meeting until the close of the next annual meeting. The appointment of the members of the following year's Nominating Committee shall be announced by the outgoing President at each annual meeting. Within thirty (30) days after the annual meeting, the immediate past chair of the Nominating Committee shall call a meeting at which the Nominating Committee shall elect its chair, vice-chair and secretary and conduct such other business as may be appropriate to prepare for the nominations to be made that year, including but not limited to, the adoption of Nominating Committee Guidelines, which shall be submitted to the Board for approval.

The Nominating Committee shall recruit candidates who meet the eligibility requirements in Article V, Section 1, (referred to herein as Eligible Members) and shall make as many nominations for election to the Board as it has received applications from Eligible Members and for all Eligible Members submitted on Voting Members Tickets. The Nominating Committee shall interview all of the candidates, and inform all of the Voting Members regarding each candidate's positions on matters regarding the Association's affairs, and cause the candidates' answers to questions related to these matters to be published in *The Apple Core*, to be posted on the Association's website, and to be included with the Written Ballots and other voting materials sent to all Voting Members.

The names of all candidates shall be placed on a Written Ballot which shall be prepared in advance of the time fixed in Article VI, Section 3 for the mailing of such Written Ballots to the Voting Members. The listing of names on the Written Ballot shall be determined by a lottery conducted by the Nominating Committee.

Section 11. The AECC shall be comprised of not less than three (3) representatives who shall be appointed by the Board, and who shall be subject to removal by the Board at any time. The Board shall appoint at least one (1) architect, licensed engineer or building contractor to the AECC, if one is available. In the event the Board is unable to appoint an architect, licensed engineer or building contractor to the AECC, the Association may retain one or more of the same from time to time to consult and advise the AECC in the performance of its duties. The majority of the members of the AECC shall also be Members of the Board. Any vacancies existing from time to time shall be filled by appointments made by the Board. The AECC, subject to the Board's approval, may engage such inspectors or agents to assist it in the performance of its duties and responsibilities. No member of the AECC shall participate in the

review of any application in which the member has any interest either as an owner or as the provider of any services for which the member is compensated.

The AECC shall have the duties and functions described in Article VII of the Restated Declaration, and shall perform such other functions as the Board, in its discretion, determines. It shall watch for any proposals, programs or activities which may adversely affect the residential value of The Properties or the Common Properties and Facilities and shall advise the Board regarding action the Association should take on such matters.

Section 12. The Recreation Commission shall advise the Board on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines.

Section 13. The Budget/Audit Commission shall be chaired by the Board Treasurer and consist of two or more additional members. It shall be the duty of this commission to prepare an annual budget for the fiscal year beginning the first day of January for approval by the Board as provided in Article VII.

Section 14. The Conservation Commission shall include a member of the Board and shall advise the Board on matters relating to the protection, preservation and improvement of all land and water areas and all flora and fauna within the Apple Canyon Lake watershed.

Section 15. The Legal Commission shall advise the Board on any legal matters referred to this commission and shall perform such other functions as the Board, in its discretion, determines. At least one member of the Board shall serve as a member of this commission.

Section 16. The Rules and Regulations Commission shall include a member of the Board and shall be responsible for monitoring, modifying and formulating rules and regulations to recommend for approval by the Board.

Section 17. The Tellers Commission shall consist of not less than five (5) members approved by the Board. The Tellers Commission shall;

- a. Not less than two (2) months prior to the commencement of the annual meeting adopt written Tellers Commission Guidelines, which will describe the procedures it will follow to count all valid Written Ballots at all votes taken during the following year, which will be submitted to the Board for approval.
- b. Obtain the General Manager's verification that the signature of the Voting Member whose name appears on the Return Envelope is the authorized Voting Member for each Lot or Dwelling Unit identified on the Return Envelope.
- c. Count all of the Written Ballots cast by all eligible Voting Members and report the results to the President.
- d. Allow a candidate, or his or her representative, to be present at the counting of the ballots.

- e. Deliver to the General Manager for safekeeping for a period of one (1) year all Return Envelopes and Written Ballots.

All actions shall be taken in such a manner that the vote of any Voting Member shall not be disclosed to anyone, including the members of the Tellers Commission.

Section 18. The Editorial Review Commission shall consist of a member of the Board, who shall be the chair, the General Manager, who shall be the vice-chair, the Managing Editor of *The Apple Core*, who shall be the secretary and such other Owners or Voting Members as the Board may appoint from time to time. This Commission 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.

Section 19. The Strategic/Long Range Planning Commission shall formulate, monitor and make recommendations to the Board for additions and deletions to the Strategic/Long Range Plan.

Section 20. The Appeals Board Commission shall listen to appeals filed pursuant to the appeals process provisions set forth in the Rules and Regulations and make recommendations to the Board on each citation at issue following the appeal hearing. In listening to each appeal, the Appeals Board Commission shall listen to each appeal with an open mind and treat each party fairly and with the utmost respect in an effort to provide consistency in the application and enforcement of the Rules and Regulations.

Section 21. With the exception of the Nominating Committee and the Architectural and Environmental Control Committee, each committee/commission shall have power to appoint a subcommittee/subcommission from among its membership or the Owners or Voting Members of the Association and may delegate to any such subcommittee/subcommission any of its powers, duties and functions subject to the approval of the Board.

Section 22. It shall be the duty of each committee/commission to have contact with Owners and Voting Members of the Association on any matters involving functions, duties, and activities within its field of responsibility, and to submit a report to the Voting Membership at the Annual Meeting.

ARTICLE XII MEETINGS OF VOTING MEMBERS

Section 1. *Regular Annual Meeting.* The regular Annual Meeting of the Voting Members shall be held on the second Saturday of June at an hour to be set by the Board.

Section 2. *Special Meetings.* Special Meetings of the Voting Members for any purpose may be called at any time by the President, or by any three (3) or more members of the Board, or upon written request of the Voting Members having at least one-hundred twenty-five (125) of the total votes in the Association.

Section 3. *Notice of Meeting.* Notice of any meeting of the Voting Members shall be given not less than ten (10) days nor more than thirty (30) days prior to the meeting, unless otherwise provided in the Bylaws. Notice to Voting Members shall be sent (i) by United States Mail, postage prepaid, sent to recipient's address on file with the Association, or (ii) by hand delivery, or (iii) by any commonly used electronic media, including but not limited to, email or facsimile, pursuant to electronic communication policies adopted from time to time by the Board, provided that the recipient has provided the Association with his or her fax number or email address or other address for receipt of such electronic communication, and the Voting Member has given his/her written authorization to conduct business via this method. Notice to all other Owners shall be provided by publication in *The Apple Core* and on the Association's website and by posting notice at the clubhouse, or as otherwise authorized under applicable law. Notice shall set forth the nature of the business to be transacted provided, however, that if the business of any meeting shall involve any matter to which another provision of these Bylaws, the Articles of Incorporation, or the Restated Declaration shall otherwise govern notice to the Voting Members, then notice of such meeting shall be given or sent as therein provided.

Section 4. *Attendance Constitutes Waiver of Notice.* The presence of any Voting Member at any meeting shall constitute a waiver of the form and time of notice, unless said person states that he or she is present solely to object to the notice and does not vote or submit a Written Ballot in respect of any action taken at such meeting.

Section 5. *Voting Members Must Register.* Each Voting Member shall register his or her mailing address and, to the extent such Voting Member desires to receive notice by electronic means, such Voting Member's telephone and fax number and email address with the Association and notify it when there is a change in any of such address or information. Notices of meetings shall be sent to the Voting Member at the mailing address or email address or fax number on file at the time of the mailing.

Section 6. *Quorum.* The presence, in person or by Written Ballot, at a meeting of the Voting Members having at least twenty percent (20%) of the total votes in the Association shall constitute a quorum for any action by the Voting Members, provided, however, if the business of any meeting shall involve any matter with respect to which another provision of the Bylaws, the Articles of Incorporation, or the Restated Declaration shall otherwise govern a quorum, then the quorum of such meeting shall be as therein provided.

ARTICLE XIII AMENDMENTS

Section 1. These Bylaws may be amended at any regular or Special Meeting of the Voting Members by at least two-thirds (2/3) of the votes cast by the Voting Members voting at such meeting, provided, however, that the provisions of these Bylaws may not be amended to conflict with any provisions of the Restated Declaration or law.

Following the adoption of a modification or amendment, an instrument duly executed by the President, or such other officer authorized by the Board setting forth said modification or amendment shall be duly recorded, and the amendment or modification shall be effective as of the date of said recording.

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Section 2. Notice of the proposed amendment(s) shall be mailed to all Voting Members not less than ten (10) days nor more than thirty (30) days in advance of the meeting at which such amendment(s) is to be voted upon.

ARTICLE XIV PARLIAMENTARY AUTHORITY

The rules contained in the current edition of *Robert's Rules of Order Newly Revised*, shall constitute the parliamentary authority for the conduct of all meetings of the Board of Directors and meetings of members to which they are applicable and in which they are not inconsistent with the Bylaws, the Articles of Incorporation or the Restated Declaration.

ARTICLE XV INDEMNIFICATION OF DIRECTORS OR OFFICERS

Section 1. *Actions by Third Parties.* The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a member of the Board, or an officer, or member of a committee or commission of the Association against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding, by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Association or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

Section 2. *Action by the Association.* The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that such person is or was a member of the Board, or an officer, or a member of a committee or commission of the Association against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 3. *Indemnification in Event of Successful Defense.* To the extent that a director, officer, committee or commission member, employee or agent of the Association has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to

in Sections 1 or 2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

Section 4. *Procedures for Indemnification.* Any indemnification under Sections 1 and 2 of this Article (unless ordered by a court) shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the director, officer, committee or commission member, employee or agent is proper in the circumstances because he or she or they has met the applicable standard of conduct set forth in said Sections. Such determination shall be made (a) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by act of the Voting Members.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized by the Board in the specific case, upon receipt of a written undertaking by or on behalf of the director, officer, committee member, employee or agent to repay such amount unless it shall ultimately be determined that he or she or it is entitled to be indemnified by the Association as authorized in this Article XV.

Section 5. *Insurance.* The Association is authorized to purchase and maintain insurance on behalf of any person who is or was a member of the Board or an officer or committee or commission member of the Association against any liability asserted against such person and incurred by such person in such capacity, or arising out of his or her status as such, whether or not the Association has the power to indemnify such person against such liability under the provisions of this Article or the Illinois Not-For-Profit Corporation Act.



Memorandum

To: ACL Board

Date: December 4, 2021

From: Rules & Regulations Commission

Memo #: 2021-105

Topic: Rules & Regulations: Snowmobiles – 1st Reading

Analysis: Staff first brought revisions to section XIII Snowmobiles to the Rules & Regulations Commission at their February 7, 2020 meeting. Minor changes were recommended at that meeting, but the major issue of a snowmobile or ATV potentially falling through the ice into the lake needed further research. Shaun Nordlie and Julie Janssen worked on this throughout 2020 (delayed due to COVID) and presented their findings to Rules & Regs at their February and March 2021 meetings. The Rules & Regulations Commission motioned to recommend the revised section to the Board of Directors for approval at their March 5, 2021 meeting.

This section was presented to the Board for first reading at the March 20 meeting. Several suggested changes were put forth at that meeting. It was also suggested that Association legal counsel review the language. The language was reviewed and re-written by Keay & Costello. This revised language was presented to Rules & Regulations at their April 9 meeting and they did not have any issue with Keay & Costello's changes, but continued to debate the fine for a vehicle going through the ice at their April and May meetings.

At their June 4 meeting, Rules & Regulations motioned to present section XIII Snowmobiles as amended to the Board of Directors for approval. Because this section has changed fairly significantly since last reviewed by the Board, it is presented again as first reading. There was more discussion about this section and it was once again sent back to Rules & Regulations for further consideration.

The Rules & Regulations Commission reviewed Snowmobiles again and has submitted a new recommendation addressing concerns raised by the Board of Directors. This section is included in the December Board packet.

Recommendation: No motion required at this meeting. For presentation & discussion only.

Apple Canyon Lake Property Owners Association Committee/Commission Motion Card

Rules + Regs Committee/Commission

Date 12-3-21

I move:

Rules + Regs recommends to the
ACL Board to approve the Sect XIII
Snowmobiles document attached
as presented

Action Taken approved

SD
FP

MOTION MADE BY: Alyce Lloyd
MOTION SECONDED BY: Ered P. Puffer
CHAIR: Wickie Seshon

VOTE RECORDED:

YEA: 4
NAY: -
ABSTAIN: -

Date Received 12/3/21 Given to Board Date Completed _____

XIII SNOWMOBILES

Preamble: ~~The ACLPOA assumes no liability for individuals operating snowmobiles on the lake when frozen. Extreme caution should be used!~~

Operators of snowmobiles are to be familiar with the Illinois Snowmobile Registration and Safety Act. Snowmobiles shall be operated on ACL properties in accordance with this Act, ~~including the age of the operator.~~ Violations of the Illinois Snowmobile Registration and Safety Act are prohibited and subject to a fine.

The Golf Course is off limits to any recreational vehicle except golf carts. The Pro Shop may be accessed using the ACL trails. Snowmobile parking is limited to the designated area ~~xxx~~. The Pro Shop is accessible to the public via Lake Road #3. Non-property owner snowmobiles are only allowed at the Pro Shop and must be operated in accordance with the Illinois Snowmobile Registration and Safety Act!

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Commented [MS1]: Can the public technically ride around the roads? I feel like they can.

A. Registration

1. All snowmobiles that are to be used on the ACL trails and properties must be registered annually with the Association and display a current year ACL sticker on the center front of the vehicle (windshield or front of hood panel so that sticker may be clearly seen from another approaching vehicle) and have ID Numbers as issued by the ACL Association Office. The ID numbers will be displayed on both the front and rear of the snowmobile. The ID numbers may be placed directly on the front center hood or on a front license plate and will also be displayed on a rear license plate. The registered owner will be responsible for the safe operation of the snowmobile and be responsible for the activities of their guests.

2. In addition, all snowmobiles must be registered with the Illinois Department of Conservation, Snowmobile License Section and display the number assigned to that snowmobile or covered by a valid registration or license of another state.

Commented [MS2]: We do not require any evidence of this, but it is required by the Illinois Snowmobile Registration and Safety Act.

B. Insurance

1. All snowmobile owners must provide ACLPOA with proof of insurance. The minimum required amount of liability insurance coverage shall be \$500,000 bodily injury and property damage combined. Acceptable proof of liability insurance documents must meet the following requirements: the policyholder/named insured is the property owner of record; the insured snowmobile(s) must be described, and the policy term expiration date and liability coverage amounts must be listed. Continuous until canceled policies will not be accepted. Listing the Association as an Additional Insured or Additional Interest is no longer required, but by doing so, the insurance company should automatically send renewal documents.

2. ~~The Association and organized snowmobile clubs must execute an agreement to conduct themselves in a responsible manner at all times and abide by the laws set forth by the State of Illinois Snowmobile Registration and Safety Act, Article V. Control, Section 5-1. In addition, the clubs must file proof of insurance with the Association showing minimum limits of liability for bodily injury and property damage of \$500,000. Amended October 19, 2013 Amended December 15, 2018~~

Commented [MS3]: I don't think we need language for clubs.

C. Operation

1. All snowmobiles must be in a safe operating condition.

2. All snowmobiles shall be operated ~~only~~ on designated trails and ~~not on roads and parking lots.~~ When operating along roadways, owners must follow the Illinois Snowmobile Registration and Safety

Commented [MS4]: State statute does allow operation along the road, crossing the road, and in the road in some circumstances. The currently rule conflicts with #5 and #6 below.

Act. When individuals are operating snowmobiles on the frozen lake, ACLPOA assumes no liability for the safety of any individual and/or any snowmobile.

3. Racing of snowmobiles is not permitted.
4. All snowmobiles shall be operated at a safe speed and in a prudent manner.
5. Riding must be in a single file formation on the right shoulder of the road.
6. All snowmobiles must stop at all streets, drives, and roads and yield right of way to pedestrians or vehicles.

7. Individuals operating snowmobiles on the lake when frozen should use extreme caution and are solely responsible for insuring that the ice depth is sufficient to support the weight of the snowmobile and rider(s). If a snowmobile or UTV/ATV were to break the ice and fall beneath the ice into the water fall beneath the ice, the owner of the machine will be fined as well as required to remove the machine as swiftly as possible. Within ten (10) days of falling beneath the ice, an owner must have the snowmobile or ATV/UTV removed from the lake or report to the General Manager reasonable mutually agreed upon the owner the timeframe for removal and contact information of the company doing the removal. If the Association determines that an owner is not working diligently to remove the machine from the water within the timeframe permitted by the Association, the Association will remove the machine at the owner's expense owner will not be subject to fines from the Association. However, Owners and operators of such machines may also still be subject to and The owner will incur all fines and charges accorded to them by IDNR, EPA-ACL and any other entity with jurisdiction over the lakes involved. Additionally, if the Association determines that an owner is not working diligently to remove the machine from the water or is beyond the timeframe permitted by the Association, the owner will be subject to fines from the Association until the machine is removed from the water.

87. Pedestrians and cross-country skiers have the right of way on trails.
98. Snowmobiles are permitted on trails between the hours of 6:00 a.m. and 10:00 p.m.
9. Violations of the Illinois Snowmobile Registration and Safety Act are prohibited

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Commented [MS5]: Do we need a time they are allowed on the lake and other properties?

109. 1. Operation of a snowmobile on Association property including the Trail System shall be limited to individuals:

- a. Possessing a valid driver's license or permit of state of origin.
- b. Attainment of 16 years of age (or age as mandated by the Association insurance carrier).

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V. GENERAL VIOLATION FINES

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SNOWMOBILES

- Snowmobile or UTV/ATV breaks the ice and fall beneath the ice \$500

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Memorandum

To: ACL Board

Date: December 10, 2021

From: Shaun Nordlie

Memo #: 2021-107

Topic: Discussion on the recording of BOD meetings

Analysis: On October 16, 2021, the Board approved recording their meetings and posting the recording on the website for twenty-five (25) days. Members are now requesting that the length of time the recording is posted on the website be extended and that the Board also consider closed captioning, recording the chat room during a meeting, and recording the active speaker of the meeting.

Recommendation: No motion is required; this is for discussion only at this meeting.



Memorandum

To: ACL Board

Date: December 10, 2021

From: Shaun Nordlie

Memo #: 2021-108

Topic: Discussion on the Tellers Commission updating their Guidelines to accommodate electronic voting

Analysis: It has been requested that the Board discuss requesting the Tellers Commission to develop updated Tellers Commission Guidelines to accommodate electronic voting. The current Tellers Commission Guidelines approved by the Board at the March 20, 2021 meeting are included in the Board packet.

Recommendation: No motion is required; this is for discussion only at this meeting

TELLERS COMMISSION

OBSERVERS' GUIDELINES:

1. A candidate for election to the board or such candidate's representative shall have the right to be present at the counting of ballots at such election.
2. Observers must remain seated in the area provided while present during ballot counting.
3. Observers must refrain from talking while present during ballot counting.
4. Observers must refrain from any cell phone use while present during ballot counting.
5. Only Board members who are candidates may be present at ballot counting.

GUIDELINES AND REQUIREMENTS (See Bylaws, Article XIII, Sec. 11)

1. Association attorney shall be present at all ballot counting.
2. Tellers Commission shall consist of not less than five (5) Members approved by the Board.
3. Not less than two (2) months prior to the commencement of the Annual Meeting, adopt written Tellers Commission Guidelines which will describe the procedures it will follow to count all valid Written Ballots at all votes taken during the following year. Guidelines shall be submitted annually to the Board for approval.
4. Before beginning to count Written Ballots, obtain the General Manager's (GM's) verification that the signature of the Voting Member whose name appears on the Return Envelope is authorized to vote for each Lot or Dwelling identified on the Return Envelope.
5. Count all of the Written Ballots cast by all eligible Voting Members, and report the results to the Board President.
6. Deliver all Return Envelopes and Written Ballots to the GM for safekeeping for a period of one year.
7. Ensure that all actions taken shall be taken in such a manner that the vote of any Voting Member shall not be disclosed to anyone, including the members of the Tellers Commission.

PROCEDURES

GENERAL MANAGER'S DUTIES:

1. Upon receipt of each Return Envelope, the GM shall verify that the Voting Member whose name appears on the Return Envelope is authorized to cast Written Ballots for each Lot or Dwelling listed on the outside of the Return Envelope.
2. The GM shall place all unopened Return Envelopes in a secure lock box until the day of the meeting at which the Written Ballots are to be counted, and shall then deliver the Return Envelopes, unopened, to the Tellers Commission on the date set for the votes to be counted.
3. The GM shall permit a Voting Member, not less than one day prior to the start of the meeting, to request his/her Return Envelope be returned and a new Return Envelope, Written Ballot(s) and a new Ballot Envelope be supplied to the Voting Member, so he/she may submit a new Ballot Envelope and a new Written Ballot.
4. Where there are more than one Natural Person listed as owners of a Lot (including spouses), and the designated Voting Member has not cast a ballot by the start of the meeting at which the ballots are to be counted, the GM shall allow one of the other owners, including spouses, to cast a Written Ballot prior to the closing of voting. The GM shall verify that no other ballots have yet been received for that Lot and that the name that appears on the return envelope is an Owner or the spouse of an Owner for that Lot and then add the ballot to those in the secure lock box.

TELLERS COMMISSION DUTIES:

1. Obtain the GM's written verification that for every Return Envelope delivered to the Tellers Commission, the GM has determined that the person whose name appears on the Return

Envelope is the designated Voting Member for EACH Lot and Dwelling listed on the Return Envelope or, in the case where the Voting Member did not submit a ballot and the Lot has multiple Owners who are Natural Persons, the name is that of one of the Owners or their spouses.

2. On the day of the annual or special meeting of Members, receive from the GM all Return Envelopes submitted by Voting Members or members otherwise authorized to vote. All such Return Envelopes shall be delivered unopened to the Tellers Commission.
3. Separate all invalid Return Envelopes from the valid Return Envelopes. Tellers Commission will count all of the unopened invalid envelopes, and report the total number of invalid Return Envelopes. Set invalid Return Envelopes unopened aside in the lockbox for return to the GM.
4. Check the number of ballots noted on outside of Return Envelope. Open the Return Envelope. Check that the number marked on the enclosed Ballot Envelope conforms to the number of Lots listed on the Return Envelope. If no number is marked/circled on the Ballot Envelope, the Tellers Commission representative shall mark/circle the appropriate number that conforms to the number of lots listed on the Return Envelope.
5. Gather all unopened valid Ballot Envelopes together for counting.
6. Open all valid Ballot Envelopes and remove Written Ballots. Ballot Envelopes are to be destroyed. Only Written Ballots that are in a Ballot Envelope will be counted.
 - a. Valid Ballot Envelope may contain more than one (1) ballot.
 - b. If fewer ballots are enclosed in the Ballot Envelope than the number marked/circled on the Ballot Envelope, the ballots may be counted as valid.
 - c. If more ballots are enclosed in the Ballot Envelope than the number marked/circled on the Ballot Envelope, the ballots shall be declared invalid.
 - d. Set all empty Return Envelopes aside for return to GM.
7. Count all valid Written Ballots. A Written Ballot will be deemed to be invalid if:
 - (a) Written Ballot has not been placed in a Ballot Envelope;
 - (b) No indication of what vote is being made appears on the ballot;
 - (c) More votes are recorded than is permitted (e.g. three (3) candidates to be elected, and ballot contains votes for more than three (3); or ballot requiring a YES or NO vote, ballot votes for both YES and NO);
 - (d) Ballot is illegible
 - (e) Some other ballot error occurs as determined by Robert's Rules of Order.
8. Tally votes using the following procedures:
 - a. The Tellers Commission will be divided into two (2) groups--one group of two (2) members, and the second group of the remaining members.
 - b. The group of two (2) members will complete the following tasks:
 - 1) One member will read the ballot.
 - 2) The second member will verify what the first member has read.
 - c. Each member of the second group of remaining members will keep a tally of the votes read.
 - d. When any candidate receives one hundred (100) votes, or a problem arises, the process pauses. All tally sheets are compared to determine if they match each other. If they do not match, the tally sheets are collected and destroyed, new tally sheets are distributed to the members keeping a tally and the same ballots are recounted. This process is repeated until all tally sheets match. Once the tally sheets match, those sheets along with the counted ballots are fastened together and collected by the Chair. New tally sheets are distributed to the members keeping a tally and the process continues with the remaining uncounted ballots until a candidate again receives one hundred (100) votes or a problem arises. This process shall be repeated until all of the ballots are counted.
 - e. After all ballots have been read and tallied, the results of each member's tally sheets will be totaled and compared to the total(s) for the other tally sheets. This process will be repeated until all tally sheets match.

9. Under direction of the Chair, record the total counts on an election summary sheet. Each Tellers Commission member present and participating will sign the election summary sheet. Specifics of the election results will be detailed on the election summary sheet including the total counts by candidate name or by yes or no vote.
10. The Chair will give the election results to the Board President who will announce the election results at the Annual or Special Meeting.
11. Immediately after the announcement of the election results, unless a one-time recount is demanded by ten (10) percent of the members present, deliver the Written Ballots and Return Envelopes to the GM to be secured and stored for one (1) year. A recount will be conducted according to the Tellers Commission Guidelines starting with No. 7.
12. The Tellers Commission is to communicate to the members of the Association the functions, duties, and procedures to be followed by the General Manager, the Commission, and any Observers related to the receipt, verification and counting of the ballots for the annual election of Board Members. The Commission will also submit a report to the membership at the Annual Meeting.

THE ELECTION RESULTS ARE CONFIDENTIAL AND MUST REMAIN CONFIDENTIAL UNTIL AFTER THEY ARE ANNOUNCED BY THE PRESIDENT OF THE BOARD.

Board approved 3/20/21



Memorandum

To: ACL Board

Date: December 10, 2021

From: Shaun Nordlie

Memo #: 2021-109

Topic: Discussion on the process used to approve policies

Analysis: It has been requested that the Board discuss the process used to approve policies of ACL according to ACL governance and identifying where in the process consideration for ACL governance guidelines are considered. (i.e. How does the ACL Legal Commission execute its charge? Is it before or after the policies are voted on and approved?)

Recommendation: No motion is required; this is for discussion only at this meeting.

Capital Projects Update