

THE CONSTITUTION OF LAKE SULLIVAN ASSOCIATION, INC.

ARTICLE I

The name of this corporation is Lake Sullivan Association, Inc.
(hereafter referred to as Association)

ARTICLE II: PURPOSE

- Section 1. The Association shall promote and maintain the environmental, economic, and recreational protection of Lake Sullivan and vicinity and to do any and all things reasonably necessary to accomplish said purpose.
- Section 2. The Association shall work in conjunction with federal, state, and local agencies, public and private, to maintain the quality of the lake.
- Section 3. The Association shall provide resources relating to the protection and quality of Lake Sullivan area and its wildlife.
- Section 4. The Association shall inform the general membership of civil concerns affecting the purposes of the Association.
- Section 5. The property of this Association is irrevocably dedicated to section 501 (C) (3) exempt purposes. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its members, trustees, officers or other private persons, except that the corporation shall be empowered to pay reasonable compensation for services rendered.
- Section 6. The organization shall be of perpetual duration.

Article III: MEMBERSHIP

Section 1. Membership shall be open to all interested persons who share a concern for the purpose of the Association.

Section 2. The personal liability of members for corporate obligations shall be limited to the amount of the membership fee as established in the bylaws of this corporation.

Section 3. This corporation shall have no capital stock, but in lieu thereof, shall obtain the necessary operating capital through membership fees and assessments as established in the bylaws. The Board of Directors shall have the authority to accept or reject applications for membership.

ARTICLE IV: OFFICERS

Section 1. The officers of the Association shall be the President, Vice President, and Secretary/Treasurer.

Section 2. Duties of the officers are:

A. The President shall preside at all annual and special meetings of the Association and shall represent the Association at all official functions. The President of the Association is also the CEO of the gambling operation.

B. The Vice President shall, in the absence of the President, fulfill the duties of the President. Further, the Vice President shall fulfill other duties as designated by the President.

C. The Secretary shall record and maintain minutes of all annual, board, and special meetings and shall manage all routine correspondence of the Association.

- D. The Treasurer shall record all revenues and expenditures as authorized, and present, to the Association, a yearly report of income and expenditures no later than March 31st each year.

The salaries of the officers will be reviewed when deemed appropriate and voted on at the Spring or Fall Meeting. The monthly salaries are not to exceed: President \$250.00, Vice President \$100.00 and Secretary/Treasurer \$350.00 (Amended June 3, 2017)

Section 3. Election of Officers.

- A. Officers shall be elected by a simple majority of official ballots cast by members at the fall meeting of the Association. Proxy votes will not be accepted. The term of office shall be for 2 years and thereafter until their qualified successors are duly elected.
- B. The Executive Board shall fill a vacant office by appointing a member to serve until the next the next scheduled election of officers, which takes place at the Fall Meeting.

ARTICLE V: EXECUTIVE BOARD

Section 1. The Executive Board shall consist of the three- (3) officers of the Association and the preceding President who shall act as Chairman or another past President if the preceding President is unable to serve. The Executive Board shall guide the activities of the Association, protect its' interests and recommend improvements.

Section 2. If the position of Chairman of the Executive Board is vacant, the three- (3) officers of the Association shall appoint a member to serve as Chairman.

Section 3. For meetings of the Executive Board, three members including the Chairman shall constitute a quorum.

Section 4. The Executive Board shall meet as required by the President or Board Chairman.

ARTICLE VI: MEETINGS

Section 1. The annual meetings of the Association shall be held in the spring and fall at the place selected by the President. Other meetings of the Association may be determined as to time and place at a regular meeting or by the Executive Board.

Section 2. Special meetings of the Association may be called by the President, the Executive Board or by the written request of at least twenty-five (25) members. Adequate notice shall be provided to all members at least fourteen (14) days before such meeting.

Section 3. At all meetings, those members present shall constitute a quorum.

Section 4. All officers, except the President, may vote on any question. In the case of a tie, the question will be reconsidered for discussion, and the final vote, including the President's will be taken by secret ballot.

ARTICLE VII: FISCAL YEAR

Section 1. The fiscal year shall begin on January 1st and shall end on December 31st for each year.

ARTICLE VIII: ADDRESS

Section 1. The location and post office address of Lake Sullivan Association, Inc. registered in this state is Box 16, Hillman, Minnesota 56338.

ARTICLE IX: VOTING

Section 1. Each person's paid membership is entitled to one (1) vote.

Section 2. At the annual meetings, voted issues shall be determined by paid membership cards. Proxy votes will not be accepted.

ARTILE X

When necessary, Robert's Rules of Order will be consulted for recommended procedures for Association and Executive Board meetings.

AMENDMENTS

Article IV, Section 2:

The salaries of the officers will be reviewed when deemed appropriate and voted on at the Spring or Fall Meeting. The monthly salaries are not to exceed: President \$250.00, Vice President \$100.00 and Secretary/Treasurer ~~\$200.00~~ \$350.00

This section was amended by a majority of members present at the Spring Meeting, June 3, 2017.

THE BY-LAWS OF LAKE SULLIVAN ASSOCIATION, INC.

ARTICLE I: DUES FEES AND ASSESSMENTS

Section 1. Annual individual membership dues shall be \$35.00 unless amended herein. With each paid membership, one and only one additional membership may be obtained for \$1.00. Each of these memberships will be limited to one vote. Proxy votes will not be accepted. Dues shall be paid beginning at the Spring meeting to maintain the member in good standing with the Association.

Section 2. Fees for special services provided by the Association for its members shall be set by the Executive Board and shall be payable in advance of receiving such services.

Section 3. Any proposed assessment must be announced and discussed at a regular meeting of the Association. The proposed assessments shall be voted on at the next regular meeting, and the membership must be so notified in writing.

ARTICLE II: COMMITTEES

Section 1. The President shall appoint a Membership Committee Chairman and other members to serve on this committee. The ultimate purpose of this committee is to encourage all Lake Sullivan property owners to become members of the Association.

Section 2. The President may appoint other committees, e.g. water quality, conservation, boat parade etc., as may be required in the interest of furthering the purpose of the Association.

ARTICLE III: EXPENDITURE AUTHORITY

Section 1. The President and the Secretary/Treasurer shall have the power to authorize expenditures not exceeding two hundred fifty dollars (\$250.00).

Section 2. The Executive Board shall have the power to authorize expenditures not in excess of two thousand dollars (\$2,000.00).

Section 3. Expenditures in excess of two thousand dollars (\$2,000.00) per occurrence must be authorized by a majority of the voting membership at a regular meeting of the Association.

ARTICLE IV: CHARITABLE GAMBLING

Section 1. Lake Sullivan Association, Inc. has applied for and has been granted a lawful charitable gambling license (License # 03118) by the State of Minnesota. The Minnesota State Gambling Control Board (MGCB) and Minnesota state law control the operational and reporting issues.

Section 2. The President of the Association is the Chief Executive Officer (CEO) of the gambling operation.

Section 3. The MGCB requires monthly membership meetings to control the conduct of the gambling operation. The President schedules the meetings in accordance with the provisions of Article VI of the Constitution.

Section 4. The employees of the gambling operation carry out their assignments and receive their remuneration separately and apart from any Association involvement.

Section 5. Although Association officers and its members may participate in both groups, their activities and work assignments are independent and do not overlap.

Section 6. The Gambling Manager cannot be an officer of the Association.

ARTICLE V: AMENDMENTS

The bylaws of the Association may be amended at any meeting of the association provided that written notice is given to the general membership at least fifteen (15) days in advance of the meeting at which the action is to be taken.

Amendments and Dates

- A. The membership dues were raised from **\$10.00** per voting member to **\$15.00** per voting member at the monthly meeting on May 10, 2002.
- B. The membership dues were raised from \$15.00 to \$25.00 and each membership is limited to 2 votes at the monthly meeting on April 8, 2006.
- C. Article I, Section 1 of the Bi-Laws was amended April 8, 2006 by majority vote at a regular scheduled meeting pursuant to the requirements of Article V of these Bi-Laws. The amendment is appended here.
- D. The base LSA membership dues be set at \$35.00 by majority vote at a regular scheduled meeting on December 13, 2014 pursuant to the April 8, 2007 Amendment of these By Laws.

By Law Amendment

April 8, 2007

Membership dues of the Lake Sullivan Association shall be determined by the Executive Board when deemed necessary by the President. That determined amount shall then be voted on at a monthly meeting of the Association. A majority vote of the quorum present is required to change the dues amount.

By Law Amendment

November 10, 2007

Annual individual membership dues shall be \$25.00 unless amended here. With each paid membership, one and only one additional membership may be obtained for \$1.00. Each of these memberships will be limited to one vote. Proxy votes will not be accepted. Dues shall be paid beginning at the Spring meeting to maintain the member in good standing with the Association.