



CIRCLE LAKE ASSOCIATION BYLAWS

(as amended and adopted on October 11, 2010)

ARTICLE 1: NAME

Section 1.1. The name of this organization shall be the Circle Lake Association (also referred to herein as "the Association" or "CLA"). The Association shall be a non-profit organization incorporated under the laws of the State of Minnesota.

ARTICLE 2: PURPOSE AND GOALS

Section 2.1. The Association shall promote the improvement, protection, and preservation of the water quality, ecological balance, and environmental health of Circle Lake, its watershed, and vicinity.

Section 2.2. In furtherance of its goals, the Association shall work and share information with, and seek assistance and advice from,

- relevant federal, state, county, and local governmental agencies and departments;
- educational and civic organizations, such as sportsman clubs and lake associations or coalitions; and
- other individuals and organizations which, in the determination of the **Association's officers and directors, share a concern** for the objectives of the Association.

Section 2.3. In the furtherance of its goals and objectives, the Association shall, to the extent reasonable, endeavor to cooperate, engage in constructive negotiation and dialogue, and seek mutually beneficial outcomes with Circle Lake area (a) residents; (b) landowners; (c) farmers; (d) proprietors of enterprises (industrial, agricultural, recreational, or other); and (e) persons or entities who make use of public access areas.

Section 2.4. The Association shall encourage its members, and other persons and organizations that share its goals, to seek out and consult informational and educational resources relating to the protection and quality of

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- Circle Lake and its wildlife, ecology, ecosystem, watershed, and vicinity; and
- lake ecosystems, conservation, and water quality in general

Section 2.5. The Association shall inform its membership of issues and concerns (including but not limited to environmental, legal, political, or economic matters) relating to and potentially affecting the purposes of the Association.

Section 2.6. The Association shall be a Minnesota nonprofit corporation.

Section 2.7. The Association may, upon vote of the Board of Directors, join and/or financially support other organizations if the Board determines that (a) the organization **shares the Association's objectives or (b) having a connection with the organization is likely to promote the Association's objectives.**

ARTICLE 3: MEMBERSHIP

Section 3.1. Membership shall be open to (a) any record owner or renter of real property that directly borders on Circle Lake, or any resident in a permanent dwelling on such land; or (b) any person with the right to use a non-public easement providing direct access to Circle Lake; and (c) upon vote of the Board of Directors, any interested parties, persons, and organizations who share a concern for the purposes of the Association or are interested in the quality of Circle Lake and its watershed.

ARTICLE 4: DUES

Section 4.1. Members of the Association shall pay annual dues.

Section 4.2. The amount of the annual dues shall be determined and reviewed from time to time by the Board of Directors.

Section 4.3. Annual dues shall be payable no later than immediately preceding the annual meeting of the Association to remain a voting member in good standing with the Association.

ARTICLE 5: BOARD OF DIRECTORS

Section 5.1. The Board of Directors (**sometimes referred to herein as the "Board"**) shall **set the Association's policies and** manage its business. Board members shall be elected **from the Association's membership or appointed as provided in these bylaws. No one** may serve on the Board without being a member of the Association.

Section 5.2. The Board shall set the number of directors, with a minimum of three (or, if the Association has fewer than three paid memberships, a number equal to the number of paid memberships) and a maximum of nine.

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Section 5.3. Each director's term of office shall be three years. If the Board has nine members, then three seats shall be up for election at each of the Association's annual meetings (see article 9 below).

Section 5.4. Any director may resign at any time by giving written notice to one of the **Board's officers. The resignation will be effective immediately unless the notice specifies otherwise. No "acceptance" of the resignation is required in order to make the notice of resignation effective.**

Section 5.5. The Board may remove a director from office. In order to do that, the Board must first convene a special meeting to provide the opportunity for due discussion and deliberation of the matter before taking action. Notwithstanding the quorum requirements set forth in Section 5.8 of these bylaws, a minimum of two-thirds of all of the directors, whether present and voting or not, must vote to remove a director from office.

Section 5.6. **If a vacancy occurs on the Board (by reason of a Board member's death, resignation, or removal), the Board may, in its discretion, appoint a replacement to serve the remainder of the outgoing Board member's term. The remaining directors may take such action even without a quorum present.**

Section 5.7. The Board of Directors shall meet at least quarterly, with (a) one meeting sufficiently before the **Association's** annual meeting to set the agenda and provide sufficient notice to the members required by these bylaws, and (b) one meeting within 30 days following the **Association's** annual meeting for the purpose of appointing officers pursuant to Section 6.1 of these bylaws. Attendance at Board meetings may be in person or by other means allowing substantially full participation and reasonably acceptable to the Board, including by telephone, Internet, or other media.

Section 5.8. Unless otherwise specified in these bylaws, the Board of Directors may take action only if a quorum of the Board is present. A quorum of the Board shall consist of a majority of the directors currently holding office.

Section 5.9. Unless otherwise specified in these bylaws, Board decisions shall be made by majority vote. Where these bylaws require a majority vote, that shall be construed to mean a majority of those voting **either "yes" or "no."** Where these bylaws require a two-thirds vote, that shall be construed to mean two-thirds of those voting **either "yes" or "no."** For purposes of calculating what a majority or two-thirds is, the only valid votes are **"yes" or "no" ("abstain," "present," and the like are not counted as votes).** Example: There are nine board members but only six are present at a meeting. **If all six vote, then four "yes" votes are required to constitute a majority and four are required to constitute two-thirds. If only five of the six cast a valid ("yes" or "no") vote, then three "yes" votes are required to constitute a majority and four are required to constitute two-thirds.**

Section 5.10. All Board of Directors meetings shall be open to any member of the Association, and members may present comments, questions, and proposals to the Board. Only members of the Board may vote on matters before the Board.

ARTICLE 6: OFFICERS

Section 6.1. The Board of Directors shall elect from its members the officers of the Association. The officers shall execute the **Association's** day-to-day affairs, as directed by the Board. The officers shall be a President, Vice President, a Secretary, and a Treasurer. The same person may serve simultaneously in two officer positions, except that the President and Vice President cannot be the same person.

Section 6.2. Duties:

- A. The President shall preside at all annual, Board, and special meetings of the Association and shall represent the Association at all official functions. **The President's other duties shall be those** usually identified with the office, including the effectuation of tasks relating to the **Association's** general operation and management, as ordered or approved by the Board of Directors.
- B. The Vice President shall, in the absence or disability of the President, fulfill the duties of the President and shall fulfill other duties as designated from time to time by the President or the Board of Directors.
- C. The Secretary shall record and maintain minutes of all annual, Board, and **special meetings; keep the Association's records and duly executed copies** of its documents and instruments; and perform all of the duties incident to the office of Secretary and such other duties as may be prescribed by the President or the Board of Directors.
- D. The Treasurer shall take charge and custody of, and be responsible for, all Association funds; receive and give receipts for money due and payable to the Association from any source, and deposit all such money **in the Association's name in such banks or other depositories as shall be** selected or authorized by the Board of Directors; be bonded at the **Association's expense if required by the Board and in such sum and with** such sureties as the Board shall determine; present a yearly report of **income and expenditures at the Association's annual meeting; and** perform all duties incident to the office of Treasurer and such other duties as may be prescribed by the President or the Board.

Section 6.3. Each officer shall hold office until the first meeting of the Board of Directors following the **Association's** annual meeting or until his or her successor is chosen and is properly appointed in his or her place. The Board of Directors may remove anyone from an officer position, with or without cause, at a regular Board meeting.

Section 6.4. If any officer position becomes vacant by reason of death, resignation, retirement, removal from office, or otherwise, the Board may elect another director to hold that office until the next regular election of officers.

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Section 6.5. Any officer may resign his or her position as an officer (while retaining his or her position on the Board) at any time by giving written notice to the President, Vice President, Secretary, and/or Treasurer. Unless a later date is specified in the notice as the effective date of resignation, resignation shall take effect on the date of receipt of the written notice. Unless otherwise specified in such notice, acceptance of the resignation shall not be necessary to make it effective.

ARTICLE 7: MEETINGS

Section 7.1. The Association shall meet annually with the date and place set by the Board of Directors.

Section 7.2. Special meetings may be called at the **Board of Directors'** discretion.

Section 7.3. The Board of Directors must give Association members notice of annual and special meetings at least seven days in advance of the meeting. Notice must **include the meeting's date, time, and place, and may be sent by U.S. mail and/or** electronic mail. Notice is deemed given upon transmission, not upon receipt.

ARTICLE 8: ADDRESS

Section 8.1. The Association shall maintain a post office box in a location reasonably convenient to the Association, to be determined from time to time by the Board of Directors. At the time of the adoption of these bylaws, the address of the Association shall be P. O. Box 147, Northfield, Minnesota 55057.

ARTICLE 9: VOTING AND QUORUM

Section 9.1. Each paid membership, sometimes referred to in these bylaws as a member, is entitled to vote as set forth below. Each paid membership for a household/residence must designate who will be the voting member. One membership=one vote.

Section 9.2. Members shall elect directors at the **Association's** annual meeting. Each member shall be entitled to one vote for each vacancy on the Board.

Section 9.4. Proxy votes, authorized in writing, shall be allowed. Voting by proxy may be general or limited. A proxy shall be valid only if it is duly signed and dated, specifies the meeting or meetings for which it is intended, and is received by the Secretary before any meeting for which it is intended.

Section 9.4. Votes shall be determined by simple majority. The members present at any properly announced meeting shall constitute a quorum.

ARTICLE 10: PARLIAMENTARY PROCEDURE

Section 10.1. All meetings of the Association and the Board of Directors shall be conducted in accordance with *Robert's Rules of Order*, or by other means that in the **Board's** discretion will reasonably maintain order and efficient procedure. If there is a conflict between *Robert's Rules* and these bylaws, these bylaws take precedence.

ARTICLE 11: AMENDMENTS TO THE BYLAWS

Section 12.1. These bylaws may be amended by two-thirds vote of the Board of Directors.

ARTICLE 12: DOCUMENT RETENTION POLICY

This policy provides for the systematic review, retention and destruction of documents received or created by the Association in connection with the transaction of association business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to **facilitate the Association's operations** by promoting efficiency and freeing up valuable storage space.

The Association follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule will be retained for the appropriate length of time.

Association Records

Annual Reports to Secretary of State/Attorney General	Permanent
Articles of Incorporation	Permanent
Board Meeting Minutes	Permanent
Board Policies/Resolutions	Permanent
By-laws	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent
Contracts (after expiration)	7 years
Correspondence (general)	5 years
Accounting and Tax Records	7 years
Financial Statements	Permanent
Business Expense Records	5 years
Invoices	7 years
Sales Records (box office, concessions, gift shop)	5 years
Petty Cash Vouchers	3 years

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Cash Receipts	3 years
Credit Card Receipts	3 years
Check Registers	Permanent
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years
Donor Records and Acknowledgement Letters	7 years
Grant Applications and Contracts	5 years after completion
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Leases	6 years after expiration

Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved **to an "archive" computer file folder**. Backup and recovery methods are required on a regular basis.

Emergency Planning

The Association's records will be stored in a safe, secure and accessible manner.

Documents and financial files that are essential to keeping CLA operating in an emergency will be maintained on the site of the retaining board officer (president and/or secretary treasurer).

Document Destruction

The Association's president is responsible for the ongoing process of identifying its records which have met the required retention period and for overseeing their destruction. Destruction of documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Compliance

Failure on the part of CLA board members to follow this policy can result in possible civil and criminal sanctions against the Association and possible disciplinary action against responsible individuals. The board will periodically review these procedures to ensure that they are in compliance with new or revised regulations.

ARTICLE 13: ASSOCIATION DISSOLUTION

In the event of the Association's dissolution, the Board of Directors shall, after paying and making provisions for the payment of all liabilities, distribute all the corporation's assets to another organization dedicated to charitable and/or educational purposes and that has been recognized as a 501(c)(3) organization by the Internal Revenue Service.

Preference will be given to the Tri-Lakes Sportsmen's Club and other qualifying organizations dedicated to soil and water conservation around Circle Lake and its vicinity.

ARTICLE 14: ANNUAL ACCOUNTING PERIOD

For the year 2010, the Association's fiscal year shall run from July 1, 2010 through December 31, 2010. From January 1, 2011 forward, the Association's fiscal year shall be the same as the calendar year.

ARTICLE 15: LIMITS ON ASSOCIATION ACTIVITIES

a. Said organization is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

b. No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

c. Notwithstanding any other provision of this document, the organization shall not be organized for any purpose not permitted (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Amendments adopted: October 11, 2010.