

BY-LAWS
OF
FOREST LAKES PROPERTY OWNERS ASSOCIATION
(A NONPROFIT CORPORATION)

ARTICLE I

NAME AND LOCATION

The name of the corporation is FOREST LAKES PROPERTY OWNERS ASSOCIATION, INC., hereinafter referred to as the “Association”, or “FLPOA”. The principal address of the corporation is 1782 Pine Valley Road, Bayfield, CO 81122, but meetings of members and directors may be held at such places within the State of Colorado, County of La Plata, as designated by the Board of Directors.

ARTICLE II

NATURE OF FLPOA OPERATION

The FLPOA is a non-profit, all volunteer organization, incorporated under the laws of the state of Colorado. It is governed by a five-member board whose members are elected at the Annual Meeting to represent the residents and property owners of Forest Lakes. The Board either manages directly or delegates authority to manage specific issues and concerns through appointed committees or appointed points-of-contact (POCs), volunteers.

ARTICLE III

FLPOA PURPOSE AND OBJECTIVES

The FLPOA was formed for the purpose of protecting property values and enhancing the quality of life of all Forest Lakes residents by serving as the central governing body, in cooperation with other governing entities, in order that all citizens may express issues of common concern for delineation and resolution. Its objectives are to analyze and define public issues, support covenants enforcement, act as mediator for controversial community concerns and to ultimately provide the means for developing and consolidating issues and concerns into a unified determination, action and/or resolution. The FLPOA also functions as the focal point for crime prevention, animal control, recreational enhancement, conservation of environment as well as other issues/concerns the community may express.

ARTICLE IV

DEFINITIONS

Section 1. "Association" shall mean and refer to FOREST LAKES PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Covenants" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded in the Office of the Clerk and Recorder, La Plata County, State of Colorado.

Section 3. "Lot" shall mean and refer to any plot of land as shown upon any recorded subdivision map of the property.

Section 4. "Majority" shall mean and refer to Fifty (50) percent, plus one, of the voting members of the Association, or, as the case may dictate, 50 percent, plus one, of the property owners, whether members or not, of any given Unit, or Units, within the boundaries of Forest Lakes.

Section 5. "Member" shall mean and refer to those persons entitled to membership and privileges as provided in these By-Laws.

Section 6. "Owner" shall mean and refer to the record owner, or owners, of the fee simple title to any lot within Forest Lakes, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, and such additions as may be determined within the jurisdiction of the Association.

Section 8. "Unit" shall mean and refer to those major groupings of properties as delineated within the plats and maps of Forest Lakes proper.

ARTICLE V

MEETINGS

Section 1. General: There are three categories of FLPOA meetings: Annual, Monthly, and Special. The Annual meeting serves to address the community by summing up the past years achievements and disappointments, presenting the status quo, providing the direction and vision for the future and electing new Board members. The monthly meetings address issues/concerns that require attention or initiatives as an on-going process.

Special meetings are called to resolve unusual situations that demand timely resolution. All meetings will be open to members and nonmembers, and provide ample time in the agenda to address public issues and concerns.

Section 2. Annual Meetings: An Annual meeting will be held in July of each year. Issues requiring member votes will require a Quorum. At this meeting (and all others requiring membership voting) the definition of Quorum is as follows: The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of the total membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Covenants, or these By-Laws. If a quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting until a quorum shall be present or be represented.

Section 3. Monthly Meetings: Regular meetings of the Board of Directors shall be held monthly at such place and hour as may be fixed from time to time. A majority of the number of Directors shall constitute a Quorum for the transaction of business. Every act or decision done or made by a majority of Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Special Meetings: Special meetings of the Board of Directors shall be held when called by the President or any two Directors. Quorum requirements remain as above.

Section 5. Notice of Meetings: Written notice of every meeting shall be posted in a conspicuous place within Forest Lakes, and, when feasible, in the FLPOA Newsletter. Verbal notification of future meetings shall be given as part of the agenda of current meetings. Notices shall specify the place, day and hour, and, in the case of a special meeting, the purpose of the meeting.

Section 6. Proxies: At all meetings, each member may vote in person or by proxy on pertinent issues/ concerns. Proxies will not be solicited by the Board, rather, they will be initiated by individual property owners, in writing, and filed with the Secretary. The property owner will determine which member of the Board they desire to represent them by proxy or choose to vote themselves when deemed feasible. A proxy shall be in effect for no longer than the remaining months within the calendar year the member is considered in good standing. For example, a member may pay dues in January and include a proxy desire to have a specific Board member represent them in their absence. This member's proxy shall be good for the remaining eleven months. The member who pays his/her dues in July and desires a proxy will only enjoy five additional months of proxy votes. Members may wish to be represented only on specific issues. If this is the case they need to make their desires known at the time of filing with the Secretary.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. Number: The affairs of this Association shall be managed by a Board of five (5) Directors, who must be members of the Association. The membership of the Board may be changed by an amendment to the By-Laws.

Section 2. Term of Office: Each Director shall serve a term of three (3) years. The Board will ensure that overlap in terms is established and that no more than two (2) new Directors will be elected at any Annual meeting.

Section 3. Removal: Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his/her successor shall be selected by the remaining members of the Board and shall serve until the next Annual Meeting (see Article IX, Section 4., Vacancies).

Section 4. Compensation: No Director shall receive compensation for any service he/she may render to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of their duties.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination: Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the Annual Meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed, and announced, by the Board of Directors prior to the Annual Meeting to serve until the beginning of the next Nominating cycle. The Nominating Committee shall, at its discretion, make at least as many nominations as necessary to fulfill the vacancies requiring election to the Board of Directors.

Section 2. Election: Election of the Board of Directors shall be by secret ballot. Members may either vote in person or by proxy. The person(s) receiving the greatest number of votes shall win election. Cumulative voting is not permitted.

Section 3. Membership and Voting Rights: Every person who is a record owner of any lots within the Metropolitan District of Forest Lakes and who has paid current dues as set forth by the Association shall be a member and may vote. If both husband and wife, or where a property is in the name of more than one person and each wishes to vote, a membership fee must be paid for each person named in the title who wishes to vote.

Section 4. Proxies: All proxies shall be in writing and filed with the Secretary (See Article V, Section 6). Each proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers:

- (a) Exercise for the Association all powers, duties and authority vested in, or delegated to, this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Covenants.
- (b) Consider replacement or removal of member who is absent from three (3) consecutive meetings of the Board of Directors.

Section 2. Duties:

- (a) Ensure the FLPOA “Purpose and Objectives” statement remain central to guiding the direction, purpose and resolve of the Board.
- (b) Keep a complete record of all acts and corporate affairs and to present a statement of same as requested by any member.
- (c) Supervise all officers, Committees, and Points-of-Contact of the Association and to ensure their duties are properly performed.
- (d) Fix the amount of Annual dues.
- (e) Cause all officers, Committees, and POCs having fiscal responsibilities to be bonded, as it may deem appropriate.

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers: The Officers of the FLPOA shall be a President, a Vice President, a Secretary, a Treasurer, and a Director, and such other officers as the Board may ~ by resolution, create.

Section 2. Election of Officers: The election of officers shall take place at the first Board meeting following the Annual Meeting.

Section 3. Special Appointments: The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, having such authority, and perform such duties as the Board may determine.

Section 4. Vacancies: A vacancy in any office shall be filled by appointment of the Board. The officer appointed to such vacancy will serve until the next Annual Meeting, at which time the vacancy will be voted on IAW established procedures to fulfill the unexpired term.

Section 5. Multiple Offices: The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 3 of this Article.

Section 6. Duties: The duties of the officers are as follows:

PRESIDENT

(a) The President shall develop an agenda for each meeting; shall preside at all meetings; shall ensure the FLPOA operations, purpose and objectives remain focused; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments pertinent to conducting business; shall serve or appoint a representative to serve on the Committee of Architecture and the Covenants Committee.

VICE PRESIDENT

(b) The Vice President shall preside in the absence of the President and accept the duties of that office. The Vice President performs other duties as assigned by the President.

SECRETARY

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; shall make these minutes and votes a matter of public record; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; shall serve notice of all meetings of the Board; shall make available officer's, Committee member's and POC's addresses and telephone numbers; shall be responsible for the FLPOA Newsletter; and shall perform such other duties as required by the Board.

TREASURER

(d) The Treasurer shall receive and deposit all moneys of the Association and the Committee of Architecture in appropriate accounts and shall disperse such funds as directed by resolution of the Board; shall track status and voting eligibility of all FLPOA members; shall keep proper books of account; shall cause an annual audit of said books to be made by a three (3)-member committee, or a public accountant, as appointed by the Board at the end of the fiscal year; shall prepare an annual budget (as required) and a statement of income and expenditures to be presented at all meetings and made available upon member request; shall ensure disbursements be made by check with signatures of two Board members.

DIRECTOR

(e) Director(s): Directors perform duties as assigned by the President.

COMMITTEES AND POINTS-OF-CONTACT

(f) The Board shall appoint committees and points-of-contact, as deemed appropriate, to help pursue the Board's vision, purpose and objectives.

ARTICLE X

COVENANTS, BOOKS AND RECORDS

The Covenants, books and records of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. Copies of the Covenants and the By-Laws shall be made available to all members upon request for the cost of reproduction.

ARTICLE XI

CORPORATE SEAL

The Association may have a seal in circular form having within its circumference the words: FOREST LAKES PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE XII

AMENDMENTS

Section 1.: These By-Laws may be amended, at any meeting, by a vote of a quorum of the membership.


Section 2.: In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control.


ARTICLE XIII


MISCELLANEOUS

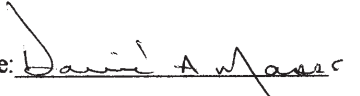
The FLPOA fiscal year shall begin on the first day of January and end on the 31st of December of every year. Dues shall be due in January of each calendar year.

IN WITNESS WHEREOF, WE, being all of the FLPOA Directors, have hereunto set our hands this 5th day of September, 1995.

Neil Schmidt: 

Barbara Kleinofen: 

Don Rader: 

David Masse: 

Helen Helms: 

ARTICLE X

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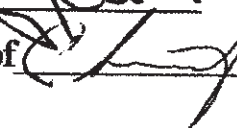
ARTICLE XIII

amended.

MISCELLANEOUS

The FLPOA fiscal year shall begin on the first day of July and end on the 30th day of June of every year. Dues shall be due in January of each calendar year.

IN WITNESS WHEREOF, WE, being all of the FLPOA Directors, have hereunto set our hands this 14th day of July, 2003.

Casey Cook		Anne Schrier	
Cindy Schwarzkopf		Bill Morlong	