

**BYLAWS  
OF  
CARDINAL HEIGHTS HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE 1 PURPOSE**

These Bylaws apply to operation of Cardinal Heights Homeowners Association, Inc., a homeowners association formed for certain lots within the Plat of Cardinal Heights (hereinafter “Development”) as described in a Declaration of Covenants, Restrictions, and Easements for the Plat of Cardinal Heights, City of Columbus, Columbia County, Wisconsin, recorded as Document Number \_\_\_\_\_ (hereinafter the “Declaration”) in the Office of the Register of Deeds for Columbia County, Wisconsin. Words contained herein shall be given the meanings as defined in the Declaration unless otherwise defined herein. Any inconsistency between the Declaration and these Bylaws shall be resolved according to the terms of the Declaration.

These Bylaws incorporate the Declaration and the Articles of Incorporation of Cardinal Heights Homeowners Association, Inc. The purpose of these Bylaws is to provide the structure necessary for the operation and maintenance of any property or rights in property owned by the Association, to control and regulate the use and enjoyment of the Development for the benefit of all persons authorized to use them, to establish the procedure for the levy and collection of assessments to finance the operations of the Association, to enforce the provisions of the Declaration when necessary, and to permit Lot Owners to participate through a democratic structure in this process of maintenance, operation, financing, and control. Lot 1 of the Plat of Cardinal Heights is not subject to the Declaration, these Bylaws, or the Articles and such Lot 1 is not subject to any rights of the Association.

**ARTICLE 2 NAME, ADDRESS, AND FORM OF ADMINISTRATION**

**SECTION 2.1. Name.**

The name of this association is Cardinal Heights Homeowner’s Association, Inc. (hereinafter the “Association”).

**SECTION 2.2. Address.**

The address of the Association is

**SECTION 2.3. Form of Administration.**

The Association is incorporated as a Wisconsin non-stock corporation under Chapter 181, Wisconsin Statutes. Control of the Association, except as otherwise provided herein, is vested in a Board of Directors to be elected by the Members in accordance with Section 5.5 hereof.

**SECTION 2.4. Manager.**

The Board of Directors may hire a manager or managing agent at a compensation rate established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize.

### **ARTICLE 3 MEMBERS**

#### **SECTION 3.1. Members.**

The Association shall have one class of Members:

(a) Membership. The membership of the Association shall at all times consist exclusively of all of the Lot Owners of the Development. One who holds a land contract purchaser's interest or any other such equitable interest shall be considered a Member for voting purposes. Persons who hold an interest in a Lot merely as security for the performance of an obligation (including Mortgagees) are not Members of the Association. A Lot Owner that has unpaid assessments on the person's Lot may have his/her/their/its voting rights suspended by the Board of Directors.

(b) Commencement and Termination. Membership shall commence immediately upon acquisition of an ownership interest in a Lot of the Development and shall immediately terminate upon conveyance of such ownership interest. If a Lot Owner's ownership interest passes to its personal representative or to a trustee upon the Lot Owner's death, such personal representative or trustee shall be a Member of the Association.

(c) Withdrawal or Expulsion. No Lot Owner may voluntarily withdraw or be expelled from membership in the Association.

(d) Transfer of Membership. Each membership shall be appurtenant to the Lot upon which it is based and shall be transferred automatically upon conveyance with the transfer of a Lot. As soon as possible following the transfer of a Lot, the new Lot Owner shall give written notice to the Secretary of the Association of such transfer identifying the Lot and setting forth the name and mailing address of the new Lot Owner, the date of the transfer, and, in the case of a Lot owned by multiple Lot Owners, the name of the person designated to vote, if any. The Association shall make appropriate changes to the membership list described in subsection (e) effective as of the date of transfer.

(e) Membership List. The Association shall maintain a current membership list listing all Lot Owners of each Lot, the current mailing address for each Lot Owner to which notice of meetings of the Association shall be sent, in the case of multiple owners of a Lot, the Lot Owner, if any, designated to cast any or all of the votes pertaining to such Lot in accordance with the Declaration. Each Lot Owner shall promptly provide written notice to the Association of any transfer of its Lot and of any change in such Lot Owner's name or current mailing address. No Lot Owner may vote at meetings of the Association until the name and current mailing address of such Lot Owner has been provided to and received by the Secretary of the Association.

### SECTION 3.2. Voting Rights.

Each Member in good standing shall be entitled to vote on each matter submitted to a vote of the Members or to a class of Members, provided however, that each Member shall be the sole beneficial owner of a Lot. A Member shall have one vote for each Lot of which he or she is a beneficial owner. In the event the persons having an ownership interest in the Lot cannot agree on the manner in which the vote is to be cast, no vote may be accepted from that Lot. There shall be no vote arising from ownership of Outlot 1 of the Plat of Cardinal Heights and no assessments made against such Outlot 1.

(a) At membership meetings, all votes shall be cast in person, or by proxy registered with the Secretary.

(b) The Board of Directors is authorized to establish regulations providing for voting by mail or by electronic means.

## **ARTICLE 4 MEETINGS OF MEMBERS**

### SECTION 4.1. Annual Meetings.

The annual meeting of the Members of the Association shall be at such time and place as may be designated by the Board of Directors. The first annual meeting shall be held when the Lot Owners other than the Developer are first entitled to elect one of the members of the Board of Directors. At each annual meeting, the Members shall elect those Directors whose terms of office expire and shall conduct such other business as is appropriate or necessary.

### SECTION 4.2. Special Meetings.

Special meetings of the Members of the Association may be called by the President or the Board of Directors or upon a call of the owners of not less than ten (10) Lots. All calls shall be directed to the Secretary. Special meetings shall be conducted within sixty (60) days of the date of receipt of the request unless such request specifies a longer period. No business may be transacted at a special meeting except as is set forth in the call for the meeting.

### SECTION 4.3. Notice of Meetings.

Notice of any annual meeting or special meeting of the Members of the Association shall be given by the Secretary to such Members by delivery to the Members personally or by electronic or regular mail at the address of such Members as shown in the records of the Association, not more than sixty (60) nor less than ten (10) days before such meeting. The notice of any special meeting shall include the place, date, and time of any such meeting and shall generally state the agenda of business to be transacted at such meeting.

### SECTION 4.4. Holders of Security Interests.

Upon written request to the Secretary of the Association, the holder of any recorded security interest in any Lot in the Development may obtain a copy of any notice permitted or required to be given by these Bylaws from the date of receipt of the request until such request is withdrawn or the security interest is discharged of record.

#### SECTION 4.5. Quorum of Members.

The Members holding ten percent (10%) of the votes that may be cast at any meeting shall constitute a quorum at any meeting of the Members. In the absence of a quorum, a majority of the Members present may adjourn the meeting without further notice.

#### SECTION 4.6. Informal Action by Members.

Any action required or permitted by the Declaration, Articles of Incorporation, these Bylaws or any provision of law, to be taken at a meeting of the Members, may be taken without a meeting and without notice if a consent in writing setting forth the action so taken shall be signed by fifty-one percent (51%) of the total number of votes in the Association with respect to the subject matter thereof. Results of this action should be sent to each Member within five (5) days of the decision.

#### SECTION 4.7. Attendance and Proxies.

At any meeting, any Member may vote in person or by general or special proxy executed in writing by the Member and filed with the Secretary. No general proxy shall be valid after eleven (11) months from the date of its execution. The form of proxies and the mode of solicitation therefor shall be determined by the Board of Directors. Proxy forms should be sent to each Member with the notice of the annual meeting.

Members may participate in a meeting of the Members by means of a conference telephone or electronic video screen communication. Participation by conference telephone or electronic video screen communication constitutes presence in person if all Members participating in the meeting can hear one another.

#### SECTION 4.8. Reserved Rights.

Election of Directors, amendment of the Bylaws, borrowing funds, acquiring or conveying any interest in real estate, final approval of the annual budget, and levying of special assessments are reserved to vote by the Members.

### **ARTICLE 5 BOARD OF DIRECTORS**

#### SECTION 5.1. Powers and Responsibility.

The affairs of the Association shall be managed by the Board of Directors, subject to instructions of the Members of the Association at a regular meeting, or subject to the approval of the membership as expressed by a vote of the membership. Among other powers and

responsibilities, the Directors shall enforce the Declaration as it relates to the regulation of the use and enjoyment of the Development.

#### SECTION 5.2. Number.

The Board of Directors shall consist of three (3) Members, subject to the other provisions of these Bylaws. When, because of death, resignation, retirement, or removal, there shall be less than three Directors remaining, the remaining Directors shall constitute the Board of Directors until the vacancy(ies) are filled as hereinafter provided. In such event, said vacancy(ies) shall be filled as soon as reasonably possible.

#### SECTION 5.3. Qualifications.

Any individual who is a Member in good standing of the Association shall be eligible for election or re-election to the Board of Directors.

#### SECTION 5.4. Term.

Each Director shall hold office for a term of two (2) years or until his or her successor has been elected. A Director may be re-elected to membership on the Board. However, for the first Board of Directors elected after the turnover date only, one of the Director positions, chosen by lot, shall have a term of one (1) year.

#### SECTION 5.5. Election.

Directors are elected by Lot Owner votes at the annual meeting of the Association. Those candidates receiving the greatest number of votes from among the candidates running for the available board positions shall be elected, notwithstanding the fact that they do not receive a majority of the votes cast.

#### SECTION 5.6. Vacancies.

Subject to the provisions of Section 5.4 hereof, the unexpired term created by any vacancy on the Board of Directors, whether by reason of death, resignation, or removal, shall be filled by a vote of a majority of the remaining Directors, even though they may constitute less than a quorum. Each Director so elected serves as a Director until a successor is elected at the next annual meeting.

#### SECTION 5.7. Removal.

Directors may be removed for cause by a majority of the Lot votes at any annual or special meeting, notice of which includes notice of the proposed removal.

#### SECTION 5.8. Compensation.

No compensation shall be paid to Directors for their services as officers or Directors.

SECTION 5.9. Design Review Committee.

Each member of the Board of Directors shall also serve on the Design Review Committee as created by the Declaration.

**ARTICLE 6 MEETINGS OF DIRECTORS**

SECTION 6.1. Annual Meetings.

The annual meeting of the Board of Directors shall be held immediately following the annual meeting of the Members, at the principal offices of the Association, or such other place as may be designated by the Board. The Board shall meet for the purpose of organizing the Board, electing the officers of the Association, and transacting such other business as may come before the meeting. No notice is necessary to newly elected Directors in order to legally constitute such meeting, provided that a quorum of the Directors is present.

SECTION 6.2. Regular Meetings.

The Board of Directors shall hold regular meetings at the principal office of the Association or at such other location as the Board may determine.

SECTION 6.3. Special Meetings.

Special meetings of the Board of Directors may be called and held at any time upon the written request of the President or any Director. Such request shall be addressed to the Secretary.

SECTION 6.4. Notice of Meeting.

Written notice of any meeting shall be given by the Secretary to each Director at least three (3) days prior to said meeting. The notice of any special meeting shall state as much as practicable the agenda of business to be transacted at such meeting. Whenever any notice whatsoever is required to be given to any Director of the Association under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the Director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 6.5. Quorum.

A majority of the number of Directors fixed by the above Section 5.2 shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a majority of the Directors present (though less than such quorum) may adjourn the meeting from time to time without further notice.

Members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or electronic video screen communication. Participation by conference telephone or electronic video screen communication constitutes presence in person if all Directors participating in the meeting can hear one another.

**SECTION 6.6. Manner of Acting.**

The act of the majority of Directors present at a meeting at which a quorum is present, shall be the act of the Board of Directors, unless the act of a greater number is required by law or by the Articles of Incorporation or these Bylaws.

**SECTION 6.7. Presumption of Assent.**

A Director of the Association who is present at a meeting of the Board of Directors or a committee thereof, at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

**SECTION 6.8. Committees.**

The Board of Directors, by resolution, may designate one or more committees, either standing or special. Each committee shall have a chairman who reports to the Board of Directors and also to the membership at their quarterly meetings. Committees may include Budget, Social, Building, Grounds, Audit, Personnel, and Bylaws. A Parliamentarian may be appointed by the President of the Board.

**SECTION 6.9. Informal Action Without Meeting.**

Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board of Directors at a meeting or by resolution may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors then in office.

**ARTICLE 7 OFFICERS**

**SECTION 7.1. Number and Qualifications.**

The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. The President and Vice President shall be Members of the Board of Directors.

**SECTION 7.2. Election and Term of Office.**

The officers of the Association shall be elected annually by the Board of Directors at its annual meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office for one (1) year or until his/her successor shall have been duly elected, or until his/her death or until he/she shall resign or shall have been removed in the manner hereinafter provided.

#### SECTION 7.3. Removal.

Any officer or agent elected or appointed by the Board of Directors may be removed by a vote of a majority of the Members of the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

#### SECTION 7.4. Vacancies.

A vacancy in any principal office because of death, resignation, removal, disqualification, or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

#### SECTION 7.5. President.

The President shall preside at all meetings of the Association and of the Board of Directors at which he or she is present, shall exercise general supervision of the affairs and activities of the Association, and shall serve as a Member *ex officio* of all standing committees.

#### SECTION 7.6. Vice President.

In the absence of the President or in the event of his/her death, inability or refusal to act, the Vice President shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

#### SECTION 7.7. Secretary.

The Secretary shall: (a) keep the minutes of the Board of Directors' meetings and meetings of the Members in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records of the Association; (d) count votes at meetings of the Association; and (e) in general perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to him/her by the President or by the Board of Directors including:

(a) At the direction of the President, the Secretary sends out notices of each and every meeting to all Members in writing ten at least (10) days prior to the meeting date. These notices may be mailed or delivered to each person.

(b) In the case of a meeting of the Board of Directors, notices in writing are to be delivered to each Director at least three (3) days prior to the meeting.



(c) At the direction of the President, the Secretary sees to it that agendas are prepared and delivered to each Association Member with the meeting notices or sees that copies are prepared to be distributed at the meeting.

(d) Copies of the minutes of each meeting are sent to each Member of the Association within five (5) days after the meeting was held. These may be mailed or delivered. Minutes of each meeting are to be sent to Developer, the Manager of the Association, if any, and all Members.

(e) The Secretary shall maintain up-to-date rosters of Association Members, Committee Members, and Members of the Board of Directors, and if applicable, including the date they took office and the date their term will expire.

#### SECTION 7.8. Treasurer.

If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He/she shall: (a) have charge and custody of and be responsible for all funds and securities of the Association, receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these Bylaws; and (b) in general, perform all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to him/her by the President or by the Board of Directors.

#### SECTION 7.9. Contract for Management.

The duties and responsibilities of the officers may be delegated to a manager under the terms of a management contract approved by the Association.

### **ARTICLE 8 INDEMNIFICATION**

Each Director or officer of this Association now or hereafter in office and his/her heirs, executors, and administrators, and each Director and officer of this Association and his/her heirs, executors, and administrators who now acts or shall hereafter act at the request of this Association as Director or officer of another Association controlled by this Association, shall be indemnified by this Association against all costs, expenses, and amounts of liability therefor, including counsel fees reasonably incurred by or imposed upon him/her in connection with or resulting from any action, suit, proceeding or claim to which s/he may be made a party, or in which s/he may be or become involved by reason of his/her acts of omission or commission, or alleged acts of commission as such Director or officer, or, subject to the provisions hereof, any settlement thereof, whether or not s/he continues to be such Director or officer at the time of incurring such costs, expenses, or amounts, and whether or not the action or omission to act on the part of such Director or officer, which is the basis of such suit, action, proceeding, or claim, occurred before or after the adoption of this Bylaw; provided that such indemnification shall not apply with respect to any

matter as to which such Director or officer shall be finally adjudged in such action, suit, or proceeding to have been individually guilty of willful misfeasance or malfeasance in the performance of his/her duty as such Director or officer, and provided, further, that the indemnification herein provided shall apply, with respect to any settlement of any such suit, action, proceeding, or claim, including reimbursement of any amounts paid and expenses reasonably incurred in settling any such suit, action, proceeding, or claim, when, in the judgment of the Board of Directors of this Association, such settlement and reimbursement appear to be for the best interests of this Association. The foregoing right of indemnification shall be in addition to and not exclusive of any and all other rights as to which any such Director or officer may be entitled under any Bylaw, agreement, vote of Members, or otherwise, and shall not be exclusive of any other rights of indemnity to which any Director or officer may otherwise be entitled under the laws of the State of Wisconsin.

This Article is intended to constitute a contract with each person who, subsequent to its adoption, is serving or shall subsequently serve as a Director or officer of the Association.

## **ARTICLE 9 FEES, DUES, AND ASSESSMENTS**

### **SECTION 9.1. Common Expenses.**

The expenditures for the operation of the Association may be common expenses to be shared equally by the Lot Owners or may be expenses benefitting the Lot Owners unequally which may be assessed against the Lot Owners unequally, in proportion to the benefit to each Lot, as determined in the judgment of the Board of Directors.

### **SECTION 9.2. Budget, Assessment, and Annual Report.**

(a) **Budget.** Throughout the period of Developer control as described in Article 13, the Board of Directors shall have the right to adopt an annual operating budget from time to time for the Association which shall include the manner in which assessments may be made against the Lots, at the annual meeting of the Board of Directors or at any special meeting of the Board of Directors. After the expiration of the period of Developer control, the Lot Owners holding at least fifty-one percent (51%) of the votes present in person or represented by proxy at their annual meeting shall adopt the annual operating budget for the Association at such annual meeting.

(b) **Levying and Payment of Assessments.** Based on the duly adopted annual operating budget, the Board of Directors shall levy Assessments against the Lots and Lot Owners. On or before the last day of December of each year, the Secretary shall mail or deliver a copy of the annual operating budget and a statement of assessment for the next twelve (12) months to each Lot Owner. Assessments shall be payable to the Association in annual, quarterly or monthly installments as determined by the Board of Directors. Such installments shall be mailed or delivered to the principal office of the Association or as otherwise directed by the Association and shall be deemed paid on the date of mailing or on the date of delivery, as the case may be.

(c) Special Assessments. Special Assessments may from time to time be levied against Lots and Lot Owners by the Board of Directors for any of the purposes enumerated in the Declaration, including the collection of fines for violations of the Rules and Regulations or Declaration, and shall be due and payable in the manner and upon the date or dates designated by the Board of Directors.

(d) Association Remedies. Upon nonpayment of assessments (whether general or special), the Association has all powers given by law, the Declaration, or these Bylaws to effect collection of the assessments hereunder. Any Assessment or Special Assessment not paid within ten (10) days of the date on which it is due shall bear interest from the day following such due date at the rate of eighteen percent (18%) per year or the highest rate permitted by law, whichever is less. The Association may seek to collect any assessments not paid when due by bringing an action for money damages against the Lot Owners personally obligated to pay the delinquent assessments. No Lot Owner may waive or otherwise escape liability for the assessments provided herein by nonuse of the Common Elements or abandonment of the Lot. All assessments whether special or general against a Lot will become will become a lien against such Lot and if not paid when due may be foreclosed by the Association in the same manner as for the foreclosure of a mortgage under Wisconsin law.

(e) Annual Report. Each January, after the end of the period of Developer control, the Board of Directors shall, by formal action, approve a full and clear annual report of all business transacted by the Association during the previous fiscal year, including a report of the Common Expenses, surpluses, and assessments collected from each Lot Owner during the year. Copies of the annual report for the previous year shall be mailed or delivered to each Lot Owner at the address in the Association's membership list prior to the third Thursday in February.

## **ARTICLE 10 FISCAL YEAR**

The fiscal year of the Association shall be the calendar year.

## **ARTICLE 11 CORPORATE SEAL**

The Association shall have no corporate seal.

## **ARTICLE 12 AMENDMENTS**

Any proposed amendment to these Bylaws must be submitted in writing at any meeting of the Members of the Association. Such proposed amendments shall be discussed at the meeting of the Members following the meeting at which the proposed amendment was submitted, and shall be voted on by the Members of the Association at a date that shall not be earlier than the second meeting following the initial submission of the proposed amendment. Such proposed amendment must be signed by three Members of the Association, shall be read to the meeting by the Secretary, and shall be printed on ballots distributed to all Members by mail. A proposed amendment shall become effective when approved by fifty-one percent (51%) of the Members entitled to vote.

## **ARTICLE 13 DEVELOPER CONTROL**

### **SECTION 13.1. Scope.**

This section controls operation of the Association for the period during which the Developer owns at least one (1) Lot and this period is sometimes referred to herein as the period of Developer's control or by words of similar import.

### **SECTION 13.2. Developer Powers.**

During the period of Developer's control under this Section, Developer has and may exercise exclusively all powers reserved by the Declaration and Bylaws to the Members or Corporation or granted by the Declaration and Bylaws to the Board of Directors of the Corporation or Members to the fullest extent allowed under the Wisconsin Statutes.

### **SECTION 13.3. Board of Directors.**

During the period of Developer control, the Board of Directors shall consist of one Director (who shall initially be Josh Lamp) who the Developer shall have the exclusive power to elect, appoint, and remove and who shall be appointed by the Developer unless the Developer by written resolution elects to have the Board of Directors consist of three (3) Directors. If the Developer elects to have the Board of Directors consist of three (3) Directors, in the manner provided above in this Section, then during the period of Developer control the Developer shall have the exclusive power to elect and remove all three directors however when title to one-half (1/2) of the Lots has been conveyed to any person or entity other than the Developer, the Lot Owners other than the Developer shall elect one of the Directors. Election procedures for the elected director may be established by Developer.

### **SECTION 13.4. Turnover Date.**

Control of the Association shall be turned over at the earliest of: (i) one (1) year from the date of the conveyance of the last Lot owned by the Developer; or (ii) the date upon which Developer expressly elects to waive its right of control.

### **SECTION 13.5. Assumption of Control.**

Once the control of the Association is turned over by Developer then this Article 13 will no longer apply and within thirty (30) days after the turnover date, the Association shall meet to elect Directors under Article 5 hereof.

### **SECTION 13.6. Exemption.**

Until all Lots have been sold by Developer, Developer, and the Lots owned by Developer, is/are exempt from the restrictions contained in these Bylaws, the rules adopted pursuant to these

Bylaws, and the assessments made under these Bylaws whether general or special. Nothing in this Section limits the rights of the Developer under the Bylaws or the Declaration.

SECTION 13.7. Amendments.

No amendment to these Bylaws may amend this section without the consent of the Developer.