

BY-LAWS OF THE BUTTERFIELD HOMEOWNERS ASSOCIATION

This declaration made this 16th day of July, 2014, by the Butterfield Homeowners Association, a corporation, organized under the General Not-For-Profit Act of the State of Illinois, supersedes the declaration made on the 17th day of December, 2009 and shall be considered the rules and regulations governing the actions of the Association.

PURPOSE: The purposes for which the corporation is organized are:

- (a) As an effective body to acquaint homeowners and members in matters which could affect their land value, tax rates, ownership and general welfare.
- (b) To accumulate and disseminate to its members any information concerning the activities or plans of any municipality or municipal planning group, which could affect their economic and social welfare.
- (c) To take an active part in informing its members and encouraging them to exercise their privilege to vote on all non-political issues that may go to ballot. It is expressly understood said corporation is not a political party and will refrain from exercising any influence or disseminating any information to its members constituting an endorsement or the underwriting of any political candidate for any and all offices.

ARTICLE I: ORGANIZATION

Section 1. NAME

The organization shall be known as the Butterfield Homeowners Association, hereafter, referred to as the Association.

Section 2. PRINCIPAL OFFICE

The principal office of the Association shall be located at the home of the Registered Agent as registered with the State of Illinois.

Section 3. BOOKS AND RECORDS

The Association shall keep correct and complete financial records and shall also keep minutes of the meetings of its members. Any member, or his agent, or his attorney may inspect all books and records of the Association, for any purpose.

Section 4. FISCAL YEAR

The fiscal year shall commence on the first day of January each year, and shall be the same for all record keeping purposes, including membership, the collection of dues and the budget of the Association. The method of accounting shall be on a cash basis, not accrual.

**ARTICLE II:
MEMBERSHIP QUALIFICATIONS**

Section 1. MEMBERSHIP

Membership in the Association shall be available only to adult residents and/or owners of homes situated in the subdivision designated as Butterfield, located on the plat of survey of DuPage County, as recorded in the County Recorder's Office.

Section 2. MEMBERSHIP IN GOOD STANDING

Membership in good standing in the Association is contingent upon the payment of dues each fiscal year. All membership rights and privileges are immediately lost at the end of the previous fiscal year until the membership dues are paid in full. For accounting purposes, dues for the current fiscal year must be paid by March 31st of that same fiscal year, or membership will automatically be considered lapsed, but payment of membership dues in full will restore all rights and privileges for the remainder of that fiscal year. Membership shall be limited to homeowners, not renters or non-owner tenants, of any home in Butterfield. Owners of homes whose permanent residence is not in Butterfield are still entitled to membership. No more than two persons owning any one home together may hold membership at one time.

Section 3. TRANSFER OF MEMBERSHIP

Membership in good standing is contingent upon Sections 1 and 2 of Article II and is not transferable.

Section 4. QUALIFICATIONS

Membership qualifications should include the completion of an application form as approved by the Association.

**ARTICLE III:
DUES & PRIVILEGES**

Section 1. DUES

The annual dues to the Association for each fiscal year for membership in good standing shall be an amount determined by the Executive Board. That amount should then be presented at the next meeting and brought to a vote by the members and passed with a majority.

Section 2. PRIVILEGES

Voting privileges at annual, regular, and special meetings shall be extended to all members in good standings.

**ARTICLE IV:
RESPONSIBILITIES**

Section 1. RESPONSIBILITIES

Members are encouraged to cooperate with the Executive Board and accept responsibilities whenever delegated.

**ARTICLE V:
VOTING**

Section 1. RIGHT TO VOTE

All members in good standing shall have the right to vote at annual, regular and special meetings.

Section 2. NORMAL VOTING

Normal voting shall be by voice vote, or by a showing of hands, or in writing.

Section 3. SPECIAL VOTING

- (a) BALLOT VOTING.** The Board may approve a ballot vote on justifiable issues. A ballot vote may be called for by any member from the floor at any time by a special motion which must be approved by two-thirds of the members in attendance and voting.
- (b) MAIL BALLOTS.** A mail ballot may be approved by two thirds of the members present and voting at any meeting. Conditions of the balloting will be included in the motion for mail ballot. Each member in good standing will receive a ballot.

Section 4. ABSENTEE VOTING.

Absentee voting will be allowed only in cases of ballot voting on issues presented in the form of a motion at a previous meeting. Absentee ballots will be procured from the Board and returned to a member of the Board in a sealed enveloped prior to the meeting at which balloting will take place, and will be counted at the time of regular voting.

Section 5. PROXY VOTING

There shall be no proxy voting.

Section 6. INTERNET VOTING

There shall be no internet voting.

Section 7. COUNTING OF VOTES

A voice vote shall be decided by the chair. A show of hands and/or ballot voting shall be counted by tellers appointed by the chair.

Section 8. QUORUM

No issue shall be decided at any meeting unless a quorum is present or as described below in Article VI, Section 1.

**ARTICLE VI:
MEETINGS**

Section 1. The presence of 20 members in good standing shall constitute a quorum. If less than 20 members in good standing are present any order of business may be approved or rejected if two-thirds of those members in attendance are in agreement.

Section 2. **ANNUAL MEETING**

The annual meeting of the Association shall be held during the Regular meeting in March of each year for the purpose of electing officers and for the transaction of such other business as may come before the meeting.

Section 3. **REGULAR MEETINGS**

Commencing with the annual meeting in March, regular meetings will be held at the discretion of the Executive Board, with a minimum of two meetings per year.

Section 4. **SPECIAL MEETINGS**

Special meetings may be called by the Executive Board when deemed justifiable. Special meetings may be call upon the request of ten percent of the members in good standing.

Section 5. **NOTICE OF MEETINGS**

Written or printed notice stating the place, day, and hour of any meeting of the members shall be delivered either personally, by mail, e-mail, or through the website, not less than three nor more than forty-five days before the day of such meeting. Printed notice of the meeting can be posted at the entrance of the subdivision. In case of a special meeting, or when required by statute or by these laws, the purpose for which the meeting is called shall be stated in the notice. The notice of the meeting shall be deemed delivered when deposited in the U. S. mail.

Section 6. **TIME AND PLACE OF MEETING**

The Executive Board may designate any time and place for the meetings within a reasonable distance from the area represented by the Association, at a time which is convenient for the majority of the membership.

Section 7. **AGENDA**

An agenda shall be prepared by the Executive Board, which they shall use as a guide for the order of business for each meeting. The agenda for all meetings, except Special Meetings, should contain at least the following subjects, in order:

- Call to Order

- Pledge of Allegiance
- Presentation of Minutes
- Reports
- Unfinished Business
- New Business
- Adjournment

Section 8. NON-MEMBERS

Non-members shall not be excluded from attendance at meetings, but shall not be entitled to make motions for the floor, nor vote on any issue; however, they have the privilege of discussion.

**ARTICLE VII:
ORGANIZATION**

Section 1. OFFICERS

The officers of the Association shall consist of a President, Vice-President, Treasurer and Secretary.

Section 2. DUTIES

- (a) PRESIDENT:** The duties of the President in general shall be as follows: To open the meeting at the designated time; To announce the business before the assembly in the order in which it is to be acted upon; To recognize members entitled to the floor and non-members for discussion; To state and to put to vote all questions which are regularly moved or necessarily arise in the course of the proceedings and to announce the results of the vote; to protect the assembly from any annoyance or foolish or dilatory motions by refusing to recognize them; to appoint all committees except the nominating committee; to carry out all other duties of the President as outlined in the latest edition of Roberts Rules of Order. The President shall be an ex-officio member of all committees except the nominating committee, and will be responsible for all decision-making duties not explicitly given to the other officers. It is also the President's responsibility to help the other officers to accomplish their given tasks as needed, and/or appoint other members to help them if they are unable to complete their tasks in a timely fashion.
- (b) VICE-PRESIDENT:** The vice president shall assume the duties of the President in the event of the President's absence and shall conduct the meeting as outlined under the duties of the President. In the event of the resignation of the President, the Vice President shall assume the responsibilities for the unexpired term of the President's Office. The Vice-President is also responsible for all duties which relate to the collection of annual dues of the Association.
- (c) CORPORATE SECRETARY:** The Corporate Secretary is

responsible for the records of the Association with the exception of the treasurer's books, and the minutes of the meetings. In addition, the Secretary is responsible for all other duties as outlined in Article 10, paragraph 59 of Roberts Rules of Order pertaining to this office. Other responsibilities are for all printed notices of meetings and any other printed matter as prescribed by the Association of the Executive Board. Furthermore, the duties of the Secretary office shall be to conduct correspondence of the Association unless otherwise assigned.

- (d) **TREASURER:** The Treasurer will maintain records of funds received, deposited, and disbursed. The Treasurer shall submit a financial report at each regular Association meeting. This report shall be submitted in a format showing all transactions, as well as income, expenses, and account balances. This report will be presented at each regular meeting, and also published. The records of the Treasurer shall be made available as outlined in Article I, Section 3. The Treasurer shall be bonded.
- (e) **EXECUTIVE BOARD:** In addition to the specific duties described in the by-laws, each member of the Executive Board shall have the responsibility to be well informed on all activities of the Association; and to be prepared to assume such other duties as may be required by circumstances and assigned by the President.
- (f) **DIRECTORS:** In addition to other duties, the President, Vice-President, Treasurer, and Secretary shall serve as sole Directors of the Association.

Section 3. ELECTION: QUALIFICATION AND TERM OF OFFICE.

- (a) The officers of the association shall be resident members and shall be elected annually by the membership at its annual meeting. The President shall fill vacancies by appointment, subject to approval by the Association at the next regular meeting. Each officer shall hold office for one year, with no term limits. This rule begins with the board in place as of the revision of this bylaw, July 16th, 2014, and is not retroactive to previous board members. In the event that the office of President and Vice President become vacant, the remaining board members will appoint a President. This action must be approved by the membership at the next regular meeting.
- (b) The Executive Board shall submit a budget of projected receipts and expenditures for the upcoming fiscal year at the first regular meeting of the year for consideration and approval by a simple majority vote of the members of the Association. A copy of the budget must be published and mailed to all members in good standing at least one week prior to that meeting.
- (c) The Executive Board was elected by the membership to execute upon the will of the membership as their official representatives. As such, it is the sole responsibility of the Executive Board to make decisions

regarding how to spend the funds approved for spending by the membership if such spending is not specifically described in the approved budget. Approval of the membership is not required for any purchase, or payment of any bill, though it is recommended that the Executive Board seek out approval for individual expenditures that exceed more than 10% of the total annual budget. **Exception:** The Executive Board may not spend more than 50% of any line item in the budget on any single expenditure without approval by simple majority vote by the membership at a regular meeting, unless that expenditure was specified in the approved budget.

- (d) The budget shall be considered a “living document” that is not meant to represent an exact amount, but an estimate of the amount of money that will be needed to be expended during the year. As such, the budget should be carefully crafted to allow for unknown, unforeseen, or forgotten expenses. The board also has the option to exceed the maximum budgeted amount for any given line item in the budget by up to 10%, or \$200, whichever is greater, without requiring approval by the membership to increase the budgeted amount. However, all additional spending of that nature for any given fiscal year must not exceed more than 10% over the total annual budget without the approval of the membership by a simple majority vote at a regular meeting. The board also has the option to include in the budget a “Miscellaneous” line item that can be used to cover unforeseen emergency needs, or bills based upon previous agreements that were not accounted for during the budgeting process. Funds can be freely transferred from this Miscellaneous line item for use with any other line item in the approved budget in order to cover line item(s) that would otherwise exceed their budgeted amount(s). In either case, any “Miscellaneous” or similarly non-specific budget line item cannot exceed 10% of the total budget for that fiscal year.
- (e) In the interim period between the end of the previous fiscal year and the approval of the new budget for the current fiscal year, the Treasurer shall continue to pay for bills based upon agreements that pre-exist the current fiscal year, and is responsible to make sure that such bills are accounted for in the estimating process for the budget for the current fiscal year. This includes recurring expenses for necessary items such as the printed newsletter, the website, government, legal, emergency, and all other fees and expenditures that are required for the continuance of the Association or for its regular, required duties.

Section 4. EXECUTIVE BOARD

The Executive Board shall consist only of the elected officers for that year: President, Vice President, Treasurer, and Secretary.

Section 5. STANDING COMMITTEE

Standing committees may be appointed by the President when necessary.

Section 6. SPECIAL COMMITTEES

Special committees may be appointed by the President at his discretion, or when so directed by the Association by a 2/3 majority vote.

Section 7. NOMINATING COMMITTEES

The Nominating Committee shall consist of three members appointed by the Executive Board and announced by the President at the January meeting. The chairman of the Nominating Committee shall be a current member. The duties of this committee shall be to submit at the March meeting the qualified candidates.

**ARTICLE VIII:
CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

Section 1. CONTRACTS & AGREEMENTS

The Executive Board of the Association has been elected to solely represent the membership and carry out the will of the membership as regards any contract or agreement. Whether a formal contract or an informal agreement, the Executive Board must authorize any and all agent or agents of the Association to enter into any contract or agreement in the name of and/or on behalf of the Association in writing prior to the start of that contract or agreement. The President must be part of that approval process. Approval by the membership is not required for the authorization of any contract or agreement.

Section 2. CHECKS, DRAFTS, ETC.

Any checks, drafts or other orders for non-budget expenses, for the payment of money notes or other evidence of indebtedness issued in the name of the Association need be approved only by the Treasurer unless that payment exceeds 10% of the total annual budget, or \$500, whichever is less. Payments that exceed that amount must be co-signed or approved of in writing by the President or Vice President prior to payment being submitted. In order to provide oversight, the President shall also have access to all accounts and the Treasurer must provide detailed reports to the President on demand, up to 12 per year, no longer than one week after the request is made, unless the President agrees to a delay in writing.

Section 3. DEPOSITS

All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies or other depositories selected and approved by the Executive Board.

Section 4. GIFTS

The officers may accept on behalf of the Association any contribution, gift, bequest for the general purposes or for any special purpose of the Association.

Section 5. DONATIONS

No member shall make any donations, contribution, or gifts to any person or organization unless approved by the membership at a meeting.

Section 6. FUNDRAISING

The Association shall not embark upon any program of fund raising from means other than by dues unless the program or endeavor is approved by the membership at a meeting where the notice is sent to the members indicating that the particular fund raising plan was to be submitted to a vote.

Section 7. AUDITING

The annual audit of the books and records of the Association shall be made by a professional accounting firm, by personnel from that firm who are not residents, or friends, relations, or in any way associated with residents, of Butterfield. The decision of which firm to hire must pass a simple majority vote by the membership at a regular meeting prior to June 30th of the fiscal year following the fiscal year to be audited. The audit must be completed and presented as part of Unfinished Business at a regular meeting prior to October 31st of the following fiscal year, with a complete report published and mailed to all members in good standing at least three days prior to that meeting. If the Association is in such a financial state that it cannot afford to have an audit done by a professional accounting firm, the annual audit of the books and records of the Association may be made by an auditing committee consisting of at least two unrelated members. If there are more than two volunteers for the committee, or if there is a perceived or actual conflict of interest with one or both of the two members, as determined by the chair, the chair has the option to select who will serve on the committee from the membership.

**ARTICLE IX:
MEMBER DISCIPLINE**

All rules regarding member discipline are to follow the latest edition of Robert's Rules of Order, except as determined by the membership by a 2/3 majority vote at a regular meeting. All votes of a disciplinary nature also require a 2/3 or greater majority to be approved. Robert's Rules of Order regarding member discipline otherwise supersede all other rules

regarding membership to be found in these by-laws.

ARTICLE X: AMENDMENTS TO BY-LAWS

The decision to alter, amend, create or repeal any bylaw must pass a 2/3 majority vote at a meeting prior to the designated meeting at which the proposed changes to the by-laws are to be discussed and voted upon. The voting based upon that decision must then take place at the next regular meeting. Written notice (in accordance with Article X, Section 1) of the intention to alter, amend or repeal one or published and mailed to all members in good standing at least seven days prior to that meeting. Any bylaws that are altered, amended, new or repealed may only be adopted at the meeting by a 2/3 vote of the members in attendance at that meeting.

Section 1. PROCEDURES

The procedure for submitting an amendment shall be:

- (a) Any proposed amendment must be submitted in writing to the secretary prior to the meeting.
- (b) Notice of the meeting at which the proposed amendment is to be voted upon must include the proposed amendment and, if applicable, the Article or Section which it is intended to amend. This meeting notice must be published and mailed to all members in good standing at least one week prior to that meeting.

The Butterfield Homeowners Association shall be subject to these by-laws as presented and amended. These bylaws supersede Robert's Rules. Any points not covered herein shall be covered, in order, by 1) prior, documented Butterfield Homeowners Association precedents, then 2) Robert's Rules of Order. Points disputed or not covered by any of the previous shall be determined, in order 1) by the President, or 2) by the membership by a 2/3 majority vote. A 2/3 majority vote may also be used to override the President's decision on any disputed or unclear points.

The updated by-laws will be saved as an electronic document, preferably a PDF, and posted on the website. The format and location of the updated by-laws must be legible and accessible. Any member may also request that a single, printed copy of the by-laws be sent to their Butterfield address at BHA expense. This process must be undertaken any time the bylaws are altered in any way. Exception: Correction of spelling errors in the by-laws may be made wherever they exist in the by-laws without formal notice, as long as the meaning of the by-laws is not altered in the process. Changes for grammatical errors must go through the normal approval process, lest the meaning be altered by those changes.

Signed and Sealed this 16th day of July, 2014

(President)

Witness:

Vice-President

Recording Secretary