

Lowry Hill East Neighborhood Association By-Laws

(Approved June 13, 1996)

(Amended section 2.01 by vote of the general membership April 2003)

(Amended section 2.02 and section 8.04 by a vote of the general membership April 2014)

(Amended section 5.05 by a vote of the general membership September 2014)

(Amended section 4.01 by a vote of the general membership April 2015)

(Amended and approved by a vote of the general membership April 2016)

Article 1 - Name

The name of this organization is the Lowry Hill East Neighborhood Association (“Association”).

Article 2 - Membership

Sec 2.01 All residents of the Lowry Hill East Neighborhood (the Wedge) are eligible for membership in this Association.

Sec 2.02 All nonresidents of the Association who own one or more properties, or own or lease one or more properties used by one or more legal businesses or nonprofits, for which the address is in the Lowry Hill East (Wedge) neighborhood are eligible for membership in the association.

Sec 2.03 Proof of eligibility may be required.

Article 3 – Voting

Sec 3.01 Each member under Sec 2.01 is a voting member.

Sec 3.02 Each member under section 2.02 is a voting member, unless that member chooses to designate a person to serve as the voting member on their behalf. Notice of the designated person must be received by the LHENA office no later than one week prior to the Annual Meeting, and must list all addresses represented. At any time other than during the one week prior to the Annual Meeting, written notice can be submitted to the LHENA office regarding a change in the designated person. If a property or business owner owns or leases multiple properties in the neighborhood, there may only be one designated voting member for all properties.

Sec 3.03 At all meetings of the members of the Association, each voting member will have one vote on any questions coming before the meeting.

Sec 3.04 Voting members must vote in person; voting by proxy is prohibited.

Sec. 3.05 Proof of eligibility may be required at time of vote.

Article 4 - Meetings of the Members

Sec. 4.01 The Annual Meeting of the members of the Association will be held in the spring of each year. The order of business at the Annual meeting of the members of the Association will be determined by the Board of Directors, and shall be subject to state law and city requirements.

Sec. 4.02 Special meetings of the members of the Association may be called at any time by the Board of Directors, by two members of the Board of Directors, or upon written petition by six members who must be in attendance at that meeting. The meeting must proceed in accordance with 4.03 and 4.04.

Sec. 4.03 Notice of each meeting of the members of the Association stating the time, the place, and the purpose, will be given to the members via the established channels of communication, and in accordance with the timeline of 6.03.

Sec. 4.04 A quorum is reached when a majority of the Board of Directors are present AND, at the annual meeting a total of 30 members are present or, at any other membership meeting, 10% of the number who attended the prior annual meeting are present. Once a quorum is reached, a majority of members present will be sufficient to elect Directors and to transact any business requiring a community vote.

Article 5 - Directors

Sec. 5.01 The business and the property of the Association will be managed and controlled by a Board of Directors, and that number of Directors will be eleven, except as provided in Sec 5.07 through 5.09.

Sec. 5.02 Directors will be elected for two year terms by written ballot at each Annual meeting of the members. (Except as provided in Sec 5.09.) Each Director must qualify as a member of the Association as defined in Article 2 for the entirety of their term.

Sec. 5.03 Not more than one nonresident (i.e. a member in accordance with Sec 2.02 but not 2.01) may serve on the Board of Directors at any given time. A Director may not concurrently serve in any elected public office, or be an announced candidate for any elected public office, in which eligible voters for that position includes resident Association members as defined in Sec 2.01.

Sec. 5.04 To solicit and recruit candidates to run for Board positions, notice will provided to the membership in the same manner as proscribed in Sec 4.03. Per the discretion of the Board of Directors, an Ad Hoc Search Committee may be set-up prior to the election to solicit and recruit candidates to run for Board positions.

Sec. 5.05 Proposed rules regarding elections of Directors must be prepared in advance by the Board of Directors.

Sec. 5.06 The Board of Directors may retain such clerical, professional, and/or consultative assistance as it deems necessary to carry out the purpose and functions of the Association so long as the expenses for such are included in the annual budget of the Association or the Board of Directors has specifically approved an exception to the annual budget.

Sec. 5.07 If vacancies have left the Board with fewer than nine Directors, the Board of Directors must fill those vacancies at their next succeeding monthly meeting, not at the next Annual meeting. If there are nine or more remaining Directors and the annual meeting for the calendar year has not yet taken place, the Board shall wait for a member vote at the Annual meeting.

Sec. 5.08 The number of Directors may be increased or decreased by amendment to these by-laws, but when the number of Directors is decreased, each director in office will serve until the Director's term expires or until the Director's resignation, whichever is earlier.

Sec. 5.09 If at the election for Directors at the annual meeting there is a tie between two candidates for the last available position, both will serve a full term. If there is a tie of more than two candidates for the last available position, a meeting of the members will be called to coincide with the succeeding monthly meeting of the Board of Directors for the purpose of re-voting on the open board position by written ballot.

Article 6 - Meetings of Directors

Sec. 6.01 The Board of Directors will meet monthly at such place and time as the Directors may determine.

Sec. 6.02 Special meetings of the Board of Directors may be called at any time by any two members of the Board of Directors.

Sec. 6.03 Written notice of each meeting of the Board of Directors, stating the time, the place, and the purpose, will be delivered via established channels of communication with the membership not less than five days prior to the meeting.

Sec. 6.04 The presence of a minimum of fifty percent of the Directors at any meeting will be sufficient to transact business.

Sec. 6.05 Any action that may be taken by the Board of Directors may be taken without a meeting, when authorized by written action (including electronic communication in accordance with Sec 9.04) that is signed by a majority of Directors such as would be required at a meeting at which all Directors were present. All Directors entitled to vote shall be notified of the proposed action's text and the date and time by which a vote must be cast, which shall be no earlier than noon of the third day following the notice. The failure to receive such notice, when provided through the same delivery as other communications to the Director, shall not invalidate the vote or its result. Any action taken without a meeting will be presented as such in the next Minutes presented to a Board of Directors meeting.

Article 7 – Officers

Sec. 7.01 The executive officers of the Association will be a President, a Vice-President, a Secretary, and a Treasurer, all of whom will be elected by the Board of Directors from among members of the Board of Directors. Elections of the executive officers will be held at the Board of Directors meeting succeeding the Annual meeting, or at the first meeting after a vacancy occurs. The executive officers will hold office at the pleasure of the Board of Directors, and will form the Executive Committee, which may be convened at the discretion of the President.

Sec. 7.02 The Board of Directors may appoint any other officers as in its judgment may be necessary.

Sec. 7.03 The President will be the chief executive officer of the Association. The President will preside at all meetings of the members of the Association. The President will have general

supervision, direction and management of the affairs of the Association, and execute on behalf of the Association all written instruments that may be required or authorized by the Board of Directors for the proper and necessary transaction of business except to the extent that the Board of Directors may delegate such authority to others.

Sec. 7.04 The Vice-President will have all the powers and will perform the duties of the President in case of the President's absence or disability. The execution by the Vice-President on behalf of the Association of any written instrument under such circumstances will have the same force and effect as if it were executed on behalf of the Association by the President.

Sec. 7.05 The Secretary will be responsible for the accurate recording and timely distribution of the Minutes for meetings of the membership and the Board of Directors. The Secretary may delegate the foregoing duties to one or more assistants satisfactory to the Board of Directors. Minutes are not official until they are approved by the Board of Directors. The Secretary shall sign Association documents when legally required to do so on behalf of the Association.

Sec. 7.06 The Treasurer shall have the care and custody of the funds and securities of the Association. The Treasurer shall keep or cause to be kept full and accurate account receipts and disbursements in books belonging to the Association and shall cause all moneys of the Association to be deposited in the name and to the credit of the Association in such bank accounts as are designated by the Board of Directors. The Treasurer shall render regular financial reports and any financial information requested to the the Board of Directors. The Treasurer, who must adhere to the policies and procedures of the Association, is responsible for all financial transactions; however, the Treasurer reports to the Board of Directors and the Board retains ultimate fiduciary responsibility for maintaining an accurate accounting of transactions. The Treasurer may delegate any or all of the foregoing duties to one or more persons approved by the Board of Directors.

Sec. 7.07 Officers of the Association also will perform duties assigned in accordance with Article 10.

Sec. 7.08 Any officer of the Association, in addition to the powers conferred by these by-laws, will have such additional powers and perform such additional duties as may be delegated by the Board of Directors. This is subject to withdrawal at any time by the Board of Directors.

Sec. 7.09 The Board of Directors must adhere to Board approved Code of Conduct and Conflict of Interest Policies. A 2/3 majority of Board of Members present may disallow a Director to vote on a matter in which there is a perceived Conflict of Interest irrespective of whether or not that Director has self-disclosed.

Article 8 - Committees

Sec. 8.01 The Association will have committees whose formation and continued existence shall be determined by the Board of Directors.

Sec. 8.02 The Board of Directors shall appoint one or more members of the Board to act as liaison for each committee. All Directors shall serve on a minimum of one committee.

Sec. 8.03 Each committee will select its own Chairperson under the same schedule as in Sec

7.01. Replacement of the Chairperson other than annually per 7.01 and when no vacancy has occurred must be authorized by the Board of Directors.

Sec. 8.04 Each Committee will hold such meetings at such time and place as may be specified by the Chairperson. The same rules that govern meetings of the Board of Directors as specified in Sec. 6.03 will govern the meetings of each committee.

Sec.8.05 Committees may make recommendations but are not authorized to act on behalf of the Board of Directors unless specifically pre-authorized by vote of the Board of Directors.

Sec. 8.06 Any member of the association may attend any committee meeting as a member of that committee. Proof of membership eligibility may be required for voting actions of the committee.

Article 9 - Resignations, Removals and Vacancies

Sec. 9.01 Any Director may be removed at any time, for cause by 2/3 of the Board of Directors at a regularly scheduled public meeting for which notice is provided in the usual manner, as described in 6.03, and in which said Director shall be permitted to address the Board.

Sec. 9.02 In any term year, any Board member who has missed two meetings without having provided advance notice to the President may be removed from the Board of Directors by majority vote of the Board of Directors. Any Director who has missed three consecutive meetings shall automatically be removed from the Board of Directors, but may be elected to fill the vacancy in accordance with Sections 5.07 and 9.06.

Sec. 9.03 Any Director, officer or committee Chairperson may resign at any time. Such resignation must be made in writing and will take effect at the time specified therein, or if no time is specified, at the time of its receipt by the President or Vice-President. The acceptance of a resignation under any provision of Article 9 will not be necessary to make it effective.

Sec. 9.04 Any Board member who ceases to be eligible as a member of the Association shall automatically be removed from the Board, with the removal noted in the Minutes of the subsequent Board meeting.

Sec. 9.05 Vacancies within the Board of Directors may be filled at the discretion of the Board of Directors except as indicated in Sec 5.07.

Sec. 9.06 Any Board member removed twice from previous Boards is ineligible to be elected to the Board of Directors again.

Article 10 - Contracts, Checks, Accounts, Deeds, Mortgages, Electronic Communication Etc.

Sec. 10.01 The Board of Directors shall designate the Director who will enter into a contract or execute and deliver an instrument in the name of and behalf of the Association, and any such delegation may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer will have any power or authority to bind the Association by any contract or engagement or to pledge its credit or render it liable pecuniary for any purpose to any amount. In the absence of alternative delegation, the President shall sign contracts or legal documents that have been authorized by the Board of Directors, as per Sec 7.03.

Sec. 10.02 No loans will be contracted on behalf of the Association unless specifically authorized by the Board of Directors.

Sec. 10.03 All funds of the Association will be disbursed under such general rules and regulation as the Board of Directors may determine. All checks, drafts, or other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Association must be approved by 2 officers, in such manner as will be determined by the Board of Directors. Except to the extent that the Board of Directors may delegate such authority to others, the Treasurer or, if unavailable, the President, will endorse and deposit on behalf of the Association, when necessary and proper, all checks, drafts, notes and other monies payable to the Association.

Sec. 10.04 This Association recognizes that authenticated electronic communication which meets the requirements of these by-laws may legally satisfy notice, written action or record, and signature requirements necessary for valid records, signatures, and contracts. Authenticated communications are those communications that set forth information from which the organization can reasonably conclude that the communication was sent by the purported sender and delivered to the proper and intended recipient.

Article 11 - Fiscal Year

Sec 11.01 The fiscal year of the Association will begin on January 1 and end on December 31 of the same calendar year.

Sec 11.02 At each November meeting, the Treasurer shall present a proposed budget for the following fiscal year.

Sec 11.03 A fiscal year budget, and amendments, must be authorized by majority vote of the Board of Directors.

Article 12 - Waiver of Notice

Any member, Director or officer of the Association may make written waiver of notice before, at, or after, any meeting. The waiver must be filed with the person who has been designated to act as Secretary of the meeting. Such person will enter the waiver upon the records of the meeting. Appearance at a meeting is deemed a waiver unless it is solely for the purpose of asserting the illegality of a meeting.

Article 13 - Indemnification of Directors and Officers

Each Director and officer of the Association, whether or not in office, will be indemnified by the Association for any act or omission that was in good faith, within the scope of the person's duties, and not constituting willful or reckless misconduct.

Article 14 - Location

The registered office and location at which the general business of the Association will be transacted and the corporate records will be kept will be determined by the Board.

Article 15 - Amendment

The by-laws and the Articles of Incorporation, if applicable of the Association may be altered, amended or repealed to include or omit any provisions which it could lawfully include or omit at

the time the amendment is made, at any meeting of the members of the Association by the vote of 2/3 of the members present at the meeting, provided that the proposed action is inserted in the notice of such meetings.

Article 16 - Construction

These by-laws will be constructed in accordance with the laws of the State of Minnesota.