

# Cobblefield Point Condominium Association

## By-Laws

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# ARTICLE 1

## MEMBERSHIP & VOTING RIGHTS

### Section 1.1 – Membership

All Unit Owners are members of the Association. Membership automatically transfers with title to a Unit.

### Section 1.2 – Voting Rights

Each Unit is entitled to one equal vote in all matters requiring a vote of the Membership, regardless of the Unit's percentage ownership interest. If more than one individual owns a Unit, they must designate one voting representative. Percentage ownership continues to apply only where required by law or expressly stated in the Declaration (e.g., undivided ownership interest in the Common Elements).

### Section 1.3 – Voting Methods

Members may vote:

- In person
- By proxy (written or electronic)
- By electronic ballot or electronic transmission, as permitted under the Illinois Condominium Property Act, also known as the "Act"
- By any additional secure method approved by the Board

### Section 1.4 – Proxies

Proxies:

- Must be executed in writing or electronically
- Are valid for the meeting designated or for up to 11 months
- Are revocable at any time
- No proxy is valid for matters requiring the physical presence of a Member unless allowed by law

### Section 1.5 – Quorum

Quorum shall consist of Members representing 20% of all Units, present in person, by proxy, or by electronic participation, unless a higher requirement is imposed by law or the Declaration.

### Section 1.6 – Voting Thresholds

Unless otherwise stated in the Declaration or applicable law:

- A simple majority of the Units represented at a meeting is sufficient to approve any action.
- Actions requiring supermajority approval (e.g., amendments, mergers, sale of substantially all assets) use one-unit-one-vote calculations.

### Section 1.7 – Special Matters Requiring Majority Approval

The following require approval of two-thirds (2/3) of all Units:

1. Merger or consolidation of the Association
2. Sale, lease, exchange, mortgage, pledge, or disposition of all or substantially all Association property
3. Purchase or sale of Units or land on behalf of all Unit Owners

### Section 1.8 – Installment Sales

For Units sold via installment contracts:

1. A purchaser who resides in the Unit is counted toward quorum for Board elections.
2. The purchaser may vote in Board elections and may run for and serve on the Board, unless the seller expressly retains such rights in writing.
3. The seller and purchaser may not both vote or both count toward quorum for the same election.
4. The purchaser must provide satisfactory evidence of the installment contract to the Association.

### **Section 1.9 – Secret Ballots & Electronic Voting**

The Association may conduct elections or membership votes by secret ballot, whether cast in person, by mail, or via an approved electronic voting system.

Ballots must:

- Identify the Unit only by ballot ID (not the voter’s name)
- Record the vote without disclosing identity

The Board must adopt procedures ensuring:

1. Eligibility verification
2. Security and integrity of ballots
3. Preservation of anonymity
4. Transparent counting procedures

Candidates or their representatives may observe ballot counting and verification.

## **ARTICLE 2 MEETINGS OF MEMBERS**

### **Section 2.1 – Annual Meeting**

An annual meeting shall be held each year at a time, date, and place determined by the Board.

### **Section 2.2 – Special Meetings**

Special meetings of the Members may be called at any time for matters requiring approval of the Membership or for any other reasonable purpose.

A special meeting shall be called upon written notice authorized by:

1. The President,
2. A majority of the Board, or
3. Members representing at least 20% of all Units.

Notice of a special meeting shall specify the date, time, place, and matters to be considered.

### **Section 2.3 – Notice of Meetings**

Notice must be provided not less than ten (10) days and not more than thirty (30) days prior to any membership meeting.

Permitted notice methods:

- U.S. Mail
- Hand delivery
- Electronic transmission, with owner consent
- Delivery to the Unit address if the Owner has not provided a current mailing address or email address to the Association

Delivery to the Unit shall be deemed effective notice for all purposes when no alternative address has been supplied in writing by the Owner.

### **Section 2.4 – Virtual Membership Meetings**

Membership meetings may be held in person, by videoconference, teleconference, or a hybrid combination, provided the chosen method allows Members to:

1. Hear and/or see the proceedings contemporaneously,
2. Participate in discussion,
3. Vote by any authorized voting method, and
4. Be counted toward quorum when electronically present.

Electronic participation shall be deemed the same as physical presence for purposes of quorum, eligibility to vote, and all procedural rights, consistent with the Illinois Condominium Property Act. The Board may adopt reasonable rules governing the conduct of virtual or hybrid meetings, including technology requirements and procedures for identifying owners.

### **Section 2.5 – Quorum**

A quorum is met when Members representing at least twenty percent (20%) of all Units are present in person, by proxy, or by approved electronic participation.

### **Section 2.6 – Adjournment**

If quorum is not met, the meeting may be adjourned to a later date without additional notice unless the new date is more than 30 days later.

### **Section 2.7 – Open Forums**

The Board may include an owner comment period at membership meetings.

## **ARTICLE 3 BOARD OF DIRECTORS**

### **Section 3.1 – Composition**

The Board consists of a minimum of three (3) directors.

### **Section 3.2 – Qualifications**

Directors must be either:

1. A Unit Owner,
2. The spouse of a Unit Owner, or
3. The designated representative of a Unit Owner that is a corporation, partnership, trust, LLC, or other legal entity.

If a Unit is owned by a legal entity, any of the following individuals may serve as that Unit's representative on the Board:

- An officer or director of a corporation,
- A partner of a partnership,
- A manager or member of an LLC,
- A beneficiary or trustee of a trust, or
- Any other duly authorized agent of the entity designated in writing.

If multiple persons hold an ownership interest in a Unit, only one such individual may serve on the Board at any given time.

#### **(3.2a) Good Standing & Loss of Eligibility**

To be eligible to run for, be appointed to, or serve on the Board, a Director must be a Member in Good Standing. If a sitting Director becomes more than sixty (60) days delinquent in the payment of any assessments, charges, or fines, or is the subject of an unresolved violation after expiration of any applicable cure period, the Board shall notify the Director in writing and may, after providing an opportunity to cure or be heard, determine by majority vote whether the Director may continue to serve or should be removed and replaced pursuant to Section 3.5. The Board may grant extensions or make exceptions in cases of documented hardship or administrative error.

### **Section 3.3 – Term of Office**

Directors shall serve one-year terms, or such staggered or extended terms as may be adopted pursuant to Section 3.8c, and shall hold office until their successors are elected and qualified, unless earlier removed or resigned.

### **Section 3.4 – Vacancies**

Vacancies on the Board, including those created by an increase in the number of Directors, shall be filled by a two-thirds (2/3) vote of the remaining Directors. A Director appointed by the Board shall serve until the next annual meeting of the Members, unless earlier replaced by the Membership as provided below.

Upon the filing of a petition signed by Members representing at least twenty percent (20%) of all Units, requesting that the vacancy be filled by vote of the Membership, the Board shall call a special meeting of the Members for

that purpose. This meeting must be held within thirty (30) days of receiving the petition. At such meeting, the Members shall elect a Director to fill the vacancy for the remainder of the unexpired term.

### **Section 3.5 – Removal of Directors**

Any Director may be removed from office at a special meeting of the Members called for that purpose.

Before voting on removal, the Members present at the meeting shall determine, by simple majority vote, whether removal of the Director will require:

1. A simple majority (50% + 1) of Units present, or
2. Two-thirds (2/3) of Units present, or
3. Two-thirds (2/3) of all Units, if the Members determine that the alleged conduct materially impacts the Association.

Once the applicable voting threshold is selected, the Members shall vote on removal using that standard. A successor to fill the remainder of the removed Director's term may be elected at the same meeting or at a subsequent meeting called for that purpose.

### **Section 3.6 – Compensation**

Directors serve without compensation unless otherwise approved by a two-thirds (2/3) vote of Unit Owners.

### **Section 3.7 – Officers**

#### (3.7a) President

The President shall:

- Preside over all meetings of the Board and the Members;
- Serve as the chief executive officer of the Association;
- Execute amendments, contracts, and other official instruments including those executed electronically, by digital signature, or through an approved electronic platform (except where execution is reserved to the Owner/Developer as provided in the Declaration);
- Oversee the general affairs and operations of the Association; and
- Perform all duties customarily associated with the office of President.

#### (3.7b) Secretary

The Secretary shall:

- Keep the minutes of all Board and Membership meetings, whether held in person or electronically;
- Maintain the Association's official records in paper or electronic form, consistent with the Act;
- Issue notices of meetings by any authorized method, including electronic transmission with Owner consent;
- Receive and maintain proxies, written consents, ballots, and records in either paper or electronic format; and
- Perform all duties incident to the office of Secretary.

The Board may designate a managing agent or administrative assistant to assist with clerical or record-keeping tasks, but the Secretary remains responsible for oversight of Association records.

#### (3.7c) Treasurer

The Treasurer shall:

- Maintain the financial records and accounts of the Association in paper or electronic form;
- Oversee the deposit and disbursement of Association funds, including through electronic banking and digital payment platforms;
- Assist in the preparation of the annual budget;
- Provide regular financial reports to the Board and Members, including by electronic delivery when permitted; and
- Perform all duties incident to the office of Treasurer.

The Board may delegate bookkeeping or accounting tasks to a managing agent or outside accountant while retaining oversight with the Treasurer.

#### (3.7d) Additional Officers

The Board may elect such additional Officers (e.g., Vice President, Assistant Treasurer, Assistant Secretary) as it deems appropriate. Each Officer shall have the authority and duties prescribed by the Board and shall serve at the pleasure of the Board.

#### (3.7 e) Dual Office Holding

Unless otherwise prohibited by the Declaration, these By-Laws, or the Act, one individual may simultaneously serve in more than one officer position, provided that:

1. The same person may not serve as both President and Secretary for purposes of executing documents that require two separate officer signatures;
2. Dual service does not create a conflict of interest or impair the performance of required duties; and
3. The Board determines that dual service is in the best interests of the Association.

If a conflict arises, the Board may reassign officer duties by majority vote.

### **3.8 – Election of the Board of Directors**

#### (3.8a) Candidate Information; Proxies

The Board may disseminate candidate information to the Members by any permitted means, including U.S. Mail, hand delivery, electronic mail, the Association's website or portal, or any other Board-approved electronic platform, provided that:

1. Reasonable efforts are made to identify all candidates;
2. All candidates are given an equal opportunity to submit biographical and background information; and
3. The Board remains neutral and does not endorse or express a preference for any candidate.

Any proxy distributed by the Board for Director elections must:

- Allow the Member to appoint any person as proxy holder;
- Allow the Member to vote for any declared candidate or write in a candidate;
- Be permitted in written or electronic form, consistent with the Illinois Condominium Property Act; and
- Clearly disclose the purpose of the proxy and the specific meeting to which it applies.

Electronic proxies shall have the same legal effect as written proxies.

#### (3.8b) Annual Elections

At each annual meeting of the Members, Directors shall be elected to serve one-year terms, or such staggered or extended terms as may be adopted pursuant to Section (3.8c). Directors shall hold office until their successors are elected and qualified, unless earlier removed or resigned.

#### (3.8c) Change in Board Size or Term Length

Members representing at least two-thirds (2/3) of all Units may vote to:

1. Establish staggered terms, or
2. Increase terms to a maximum of two (2) years, provided that at least one-third (1/3) of Director positions expire annually.

Any change shall take effect at the next annual election unless otherwise approved by the Membership.

### **3.9 - Committees**

The Board may appoint committees and delegate tasks. Decision-making authority remains with the Board.

## **ARTICLE 4 MEETINGS OF THE BOARD**

### **Section 4.1 – Regular Meetings**

The Board of Directors shall meet at least quarterly.

### **Section 4.2 – Notice**

Notice of any Board meeting must be provided to all Unit Owners at least forty-eight (48) hours in advance, unless a longer period is required by law. Notice may be provided by:

- Posting in a prominent location on the Property,
- Email,
- Electronic transmission (including the Association’s website, portal, or other electronic platform),
- Hand delivery, or
- U.S. Mail.

Notices shall be delivered to the address or email address supplied by the Owner for Association communications. If no such address has been provided in writing, notice may be delivered to the Unit address, and such delivery shall be deemed effective for all purposes. Electronic notice shall have the same legal effect as written notice, consistent with the Illinois Condominium Property Act.

**Section 4.3 – Open Meetings**

All meetings of the Board shall be open to any Unit Owner, except for those portions held in lawful executive session as permitted by the Illinois Condominium Property Act.

(4.3a) Recording of Meetings

Any Unit Owner may record the open portion of a Board meeting by audio or video means.

The Board may adopt reasonable rules governing recording in order to:

- Prevent disruption,
- Protect privacy during transitions into/out of executive session, and
- Ensure that recording equipment does not block visibility or interfere with proceedings.

**Section 4.4 – Executive Session**

Permitted for discussion of: - Litigation - Employment matters - Violations - Unit Owner delinquencies

Executive session may be held only for the purpose of:

1. Discussing pending, probable, or imminent litigation;
2. Considering information regarding the appointment, employment, engagement, or dismissal of an employee, independent contractor, or agent of the Association;
3. Discussing violations of the Declaration, By-Laws, or Rules & Regulations;
4. Reviewing a Unit Owner’s unpaid assessments or common expenses; or
5. Any other matter expressly permitted for closed session under Illinois law.

No vote may be taken in executive session. All final votes must occur during the portion of the meeting that is open to Unit Owners.

**Section 4.5 – Quorum**

A majority of directors constitutes a quorum.

**Section 4.6 – Virtual and Hybrid Meetings**

Board meetings may be conducted in person, by videoconference, teleconference, or a hybrid format, provided that:

- Owners may hear the discussion contemporaneously, and
- Owners attending electronically may be counted as present for purposes of open-meeting access but not for Board quorum (quorum applies only to Directors).

The Board may adopt reasonable procedures for identifying owners and managing electronic participation.

**ARTICLE 5  
POWERS & DUTIES OF THE BOARD**

The Board shall manage the affairs of the Association and has all powers necessary for operation, including authority to:

#### (5a) Management

To engage the services of a manager or managing agent to operate, maintain, and administer the Property on behalf of the Association, under a written agreement with a term not exceeding three (3) years.

Such agreement may be terminated by either party without cause with ninety (90) days' written notice, or as otherwise permitted by law. The Board may delegate to the manager such authority as it deems appropriate while retaining ultimate oversight.

#### (5b) Policy Development

To establish policies for the administration, management, and operation of the Property, consistent with the Declaration, By-Laws, and Illinois law.

#### (5c) Rules & Regulations

To adopt, amend, or repeal administrative rules and regulations, with notice to all Unit Owners, governing:

- Use and operation of the Property
- Maintenance and safety
- Health, comfort, and welfare of residents
- Common Element and Limited Common Element standards
- Any other matter permitted by law

Such rules shall be enforceable as provided in the Act and the By-Laws.

#### (5d) Maintenance & Access to Units

To arrange for any construction, alteration, installation, maintenance, repair, painting, or replacement for which the Association is responsible, and for such purposes:

- To enter Units and Limited Common Elements upon reasonable notice,
- To make emergency repairs necessary to prevent damage to common elements or to other units,
- To minimize inconvenience to residents, and
- To repair any damage caused by such entry at the Association's expense through the operating or reserve funds, as applicable.

#### (5e) Personnel & Professional Services

To hire, designate, supervise, and remove employees, contractors, and agents of the Association, including but not limited to:

- Managers and property management companies
- Accountants, bookkeepers, and auditors
- Legal counsel
- Maintenance personnel and contractors

The Board may delegate such powers to the manager or managing agent while retaining oversight.

#### (5f) Payment of Expenses

To expend Association funds for the following purposes, among others:

1. Compensation of the manager, management company, or other employees or agents;
2. Maintenance, repair, replacement, and operation of the Common Elements and Limited Common Elements;
3. Administrative, legal, insurance, and operational costs of the Association.

Payments shall be made from the operating fund or reserve fund, consistent with the annual budget.

#### (5g) Acquisition of Units

To bid for, purchase, or otherwise acquire a Unit at a judicial or foreclosure sale, or other involuntary sale, when such action is in the Association's best interest.

#### (5h) Compliance with Member Instructions

To act in accordance with directives approved by a majority of the Members at any annual or special meeting, provided such directives do not violate the Declaration, By-Laws, or applicable law.

(5i) General Authority

To exercise all powers and duties granted to the Board or the Association under:

- The Declaration
- These By-Laws
- The Illinois Condominium Property Act
- Other applicable laws

This includes the authority to take any action necessary or desirable for the administration, preservation, and protection of the Property and the Association.

## **ARTICLE 6 FINANCIAL MANAGEMENT**

### **Section 6.1 – Budget**

Each year, the Board shall prepare a proposed annual budget for the upcoming calendar year. The budget shall estimate the total funds required to pay for:

- Wages and management fees
- Materials, insurance, utilities, services, and supplies
- Maintenance, repair, and replacement of the Common Elements and Limited Common Elements
- A reasonable contribution to reserves, including identification of amounts allocated to capital repairs, replacements, and contingencies
- Any other lawful expenses of the Association

The Board shall provide each Unit Owner with a copy or summary of the proposed budget, with reasonable itemization, including identification of:

- Operating expenses,
- Reserve contributions, and
- Identification of which portions are for reserves, capital expenditures, major repairs, or real estate taxes, as required by the Illinois Condominium Property Act, and
- Any anticipated net income from operation or use of the Common Elements.

This notice shall be provided to all Unit Owners at least thirty (30) days prior to the Board meeting at which the budget is to be adopted and may be delivered by any permitted method of notice, including:

- U.S. Mail,
- Hand delivery,
- Electronic transmission (such as email or secure online portal), or
- Delivery to the Unit address if no other address has been provided in writing by the Owner.

The budget shall be adopted in accordance with the Illinois Condominium Property Act, including the budget ratification and Unit Owner petition rights described in Section 6.4 of these By-Laws.

### **Section 6.2 – Assessments and Payment**

The total annual “estimated cash requirement” established by the Board shall be allocated equally among all Units, unless otherwise required by law or expressly provided in the Declaration. Each Unit Owner shall be obligated to pay one-twelfth (1/12) of their annual assessment amount on or before the first day of each month of the calendar year, or on such other payment schedule as the Board may adopt. Payments shall be made to the Association, or to its managing agent or other designated party, using any payment method approved by the Board, including electronic payment platforms. Failure to pay assessments shall result in late fees, interest, collection costs, and enforcement actions as provided by the Declaration, By-Laws, the Rules & Regulations, and the Illinois Condominium Property Act. If the Board lawfully approves a change to the annual budget or assessment amount during the calendar year, the adjusted assessment shall take effect with the first monthly installment due more than ten (10) days after notice of the adjustment is delivered to Unit Owners.

### **Section 6.3 – Annual Accounting**

On or before the date of the annual meeting each year, the Board shall provide all Unit Owners with an itemized annual accounting for the preceding calendar year.

The accounting shall include:

1. All operating and maintenance expenses actually incurred and paid;
2. Identification of amounts spent on
  - o reserves,
  - o capital expenditures,
  - o major repairs, and
  - o real estate taxes (if any apply);
3. Total amounts collected from Unit Owners during the year; and
4. A statement showing whether the Association experienced a surplus or deficit for the year.

Following review of the year-end financial results:

- Any surplus may be transferred to reserves or applied to future operating expenses, at the discretion of the Board.
- Any deficit may be incorporated into the next annual budget, funded from reserves, or addressed through a separate assessment as permitted under these By-Laws and the Illinois Condominium Property Act.

### **Section 6.4 – Budget Ratification and Owner Petition Rights**

If the annual budget adopted by the Board results in the total of all regular and separate assessments for the current fiscal year exceeding 115% of the total of all regular and separate assessments for the preceding fiscal year, the following procedures shall apply in accordance with Section 18(a)(8) of the Illinois Condominium Property Act:

#### 1. Automatic Ratification if No Petition Is Filed

If no petition is filed within the time period stated below, the budget is automatically ratified without further action by the Members.

#### 2. Unit Owner Petition Rights

Upon written petition signed by Members representing at least twenty percent (20%) of all Units, delivered to the Board within fourteen (14) days after the Board adopts the budget, the Board shall call a special meeting of the Members to consider the budget.

#### 3. Meeting Requirement

The meeting shall be held within thirty (30) days after the petition is delivered.

Notice of the meeting shall be provided in accordance with the Association's notice provisions, including by electronic transmission for Owners who have consented to receive electronic notices.

#### 4. Owner Vote

At the special meeting, unless a majority of all Units vote to reject the budget, the budget is ratified.

If a majority of all Units vote to reject the budget, the Board shall continue to operate on the prior year's budget until a new budget is adopted.

### **Section 6.5 – Special Assessments**

The Board may adopt a separate (special) assessment for anticipated or unbudgeted expenses. Special assessments must be adopted at a meeting of the Board properly noticed under Section 4.2.

#### (6.5a) Owner Petition for Large Special Assessments

If a special assessment results in the total of regular + special assessments exceeding 115% of the prior year's total assessments, it is subject to the same 20% petition right and potential unit owner rejection described in Section 6.4.

### **Section 6.6 – Emergency Assessments**

The Board may adopt a special assessment without Owner approval or petition rights if necessary to address an emergency.

For purposes of this section, an *emergency* means:

- Immediate danger to the structural integrity of the Common Elements, or
- A threat to the life, health, safety, or property of Unit Owners, or
- Expenditures mandated by law.

### **Section 6.7 – Additions or Alterations to the Common Elements**

Special assessments for additions or alterations to the Common Elements or Association-owned property, not included in the adopted annual budget, must be approved by Members representing at least two-thirds (2/3) of all Units, unless the project is required by law or constitutes an emergency under Section 6.6.

### **Section 6.8 – Multi-Year Special Assessments**

The Board may adopt special assessments payable over more than one fiscal year.

For purposes of Member petition rights under Section 6.4, the entire amount of any multi-year special assessment is deemed considered and authorized in the first year the assessment is adopted.

### **Section 6.9 – Reserve Fund**

The Board shall establish, fund, and maintain a reasonable reserve fund for contingencies, capital repairs, and replacement of Common Elements and Limited Common Elements. Reserve contributions shall be included in the annual budget and allocated equally among all Units, unless otherwise required by law or expressly stated in the Declaration.

#### (6.9a) Use of Reserve Funds

Reserve funds may be used for:

1. Capital repairs or replacements;
2. Major maintenance projects;
3. Extraordinary or unanticipated expenditures not included in the annual budget; or
4. Other lawful purposes consistent with reserve planning and the Illinois Condominium Property Act.

#### (6.9b) Assessment for Reserve Shortfalls

If reserve funds - or the annual “estimated cash requirement” - prove inadequate for any reason, including:

- unexpected repair needs,
- underfunded reserves, or
- delinquency in owner assessments,

the Board may levy an additional assessment in accordance with Sections 6.4–6.8 (Budget Ratification, Special Assessments, and Emergency Assessments). Any such further assessment shall be allocated equally among all Units.

#### (6.9c) Notice of Additional Assessment

The Board shall provide notice of any additional assessment by written or electronic communication stating:

- the amount of the assessment,
- the purpose of the assessment, and
- the date the assessment becomes effective.

Such additional assessment shall become due with the next monthly installment that falls more than ten (10) days after delivery of the notice.

#### (6.9d) Owner Obligation

All Unit Owners are obligated to pay the adjusted monthly assessment amount in full and on time, subject to enforcement under these By-Laws and the Illinois Condominium Property Act.

#### (6.9e) Minimum Reserve Requirements for FHA Compliance

The Board shall maintain reserve funding at a level consistent with the minimum requirements established by the Federal Housing Administration (FHA) or any successor agency for condominium project approval. If FHA guidelines change, the Association’s reserve funding obligation shall automatically adjust to remain compliant unless the Board adopts a professionally prepared reserve study supporting a different funding level.

### **Section 6.10 – Continuation of Assessment Obligations**

Unit Owners remain obligated to pay assessments in accordance with the Declaration. The obligation to pay assessments is not waived or excused due to any delay or failure by the Board to prepare, adopt, or deliver the annual budget or any adjusted estimate. Until a new budget or adjusted estimate is adopted and notice is delivered, each Unit Owner shall continue to pay the existing monthly assessment amount.

### **Section 6.11 – Default by Unit Owner**

A Unit Owner who fails to pay any assessment, charge, fine, or other amount owed to the Association within thirty (30) days after the due date shall be deemed in default.

Upon default, the Association may:

1. Impose late fees, interest, and administrative charges as permitted by the Declaration, these By-Laws, and the Illinois Condominium Property Act;
2. Suspend non-essential privileges of the Owner, if authorized in the Rules & Regulations;
3. Enter into or offer a payment plan consistent with Section 18.4(l) of the Act;
4. Refer the account to legal counsel or a collection agency; and
5. Pursue any lawful remedy, including recording and enforcing the statutory lien for unpaid assessments.

The Association's remedies for nonpayment of assessments include the right to file suit, collect through legal action, and foreclose the lien for unpaid assessments in accordance with the Illinois Condominium Property Act. All costs of collection, including reasonable attorneys' fees, court costs, interest, and administrative charges, shall be added to the Owner's account to the extent permitted by law.

## **ARTICLE 7 RECORDS & TRANSPARENCY**

### **Section 7.1 – Association Records**

The Association shall maintain the records required by Section 19 of the Illinois Condominium Property Act, including but not limited to:

1. Financial records and books of account;
2. Contracts, leases, and other agreements;
3. Minutes of Board and Membership meetings;
4. A current roster of Unit Owners, including:
  - o Names,
  - o Mailing addresses,
  - o Email addresses (if provided for electronic notice), and
  - o Telephone numbers voluntarily provided for Association communication;
5. A roster of occupants and tenants as required by the Declaration, By-Laws, or Rules & Regulations, including:
  - o Names of all occupants,
  - o Contact information (email address and phone number), and
  - o Emergency contact information, as provided by the Unit Owner in compliance with the Declaration and the Act;
6. Ballots, proxies, written consents, and meeting notices;
7. All governing documents and policies;
8. Any other records required by law.

Records may be maintained in paper or electronic format, or in any combination thereof.

### **Section 7.2 – Owner Access to Records**

Each Unit Owner, or the Owner's authorized representative, has the right to inspect and obtain copies of Association records in accordance with Section 19 of the Act.

Inspection shall be permitted:

- upon written request,
- within the statutory timeframes,
- at reasonable times and locations designated by the Association,
- and subject to any lawful limitations or redactions.

The Association may charge a reasonable fee for copies and for providing records in accordance with the Act.

### **Section 7.3 – Electronic Records and Delivery**

The Association may store, maintain, and provide records electronically, including through email, secure online portals, or other digital means. Owners who consent to electronic delivery may receive records, notices, and disclosures by email or other approved electronic methods.

### **Section 7.4 – Records Not Subject to Owner Inspection**

Consistent with Section 19 of the Act, the Association is not required to provide records relating to:

1. Communications with legal counsel;
2. Information that would violate privacy laws;
3. Personnel matters;
4. Information relating to litigation, settlement negotiations, or likely litigation;
5. Other records exempt under the Act.

### **Section 7.5 – Account Statements**

Upon written request and payment of any reasonable fee, a Unit Owner shall be provided with a written statement of the Owner's account, showing unpaid assessments, charges, or other amounts owed.

## **ARTICLE 8 ENFORCEMENT PROCEDURES**

### **Section 8.1 – Violations**

A violation occurs when a Unit Owner, occupant, tenant, guest, or invitee fails to comply with the Declaration, By-Laws, or Rules & Regulations.

Upon identifying a violation, the Association may issue a written notice to the Owner describing:

1. The nature of the violation;
2. The date and location of the violation, if known;
3. The governing provision allegedly violated;
4. The required corrective action; and
5. The Owner's right to request a hearing.

The Board may adopt additional violation reporting procedures in the Rules & Regulations.

### **Section 8.2 – Notice and Opportunity for Hearing**

Before imposing any fine or sanction, the Association shall provide the Owner with:

1. Written notice of the alleged violation;
2. At least 10 days to request a hearing; and
3. Reasonable opportunity to appear before the Board (in person or electronically) to present evidence, explanations, or defenses.

If the Owner does not request a hearing within the allotted time, the Board may proceed with enforcement based on the available evidence. Hearings may be held in open or executive session, as appropriate.

### **Section 8.3 – Board Determination**

After the hearing (or after the hearing period passes without request), the Board shall determine whether a violation occurred.

The determination must be based on:

- the evidence presented,
- relevant governing documents, and
- reasonable judgment of the Board.

The Board's decision shall be issued in writing and delivered to the Owner.

#### **Section 8.4 – Fines and Sanctions**

If the Board determines that a violation occurred, the Association may impose:

1. Reasonable fines,
2. Cost-recovery charges,
3. Suspension of non-essential privileges (e.g., pool, clubhouse, amenities),
4. Daily or continuing fines for ongoing violations, and
5. Reimbursement assessment for damage caused by the Owner or occupants.

Fines must be reasonable and uniformly applied. The specific fine amounts, categories of violations, and any escalating fine schedules are set forth in the Association's Rules & Regulations, as amended from time to time.

#### **Section 8.5 – Continuing or Repeated Violations**

Each day a violation continues after notice may constitute a separate violation, subject to additional fines, unless otherwise stated in the Rules & Regulations. Repeated violations will result in increased fines.

#### **Section 8.6 – Emergency Situations**

In situations involving immediate threat to: health, safety, property, or structural integrity, the Association may take necessary corrective action without first holding a hearing. A hearing shall be offered after the emergency has been addressed.

#### **Section 8.7 – Legal and Equitable Remedies**

In addition to fines, the Association may pursue any lawful remedy, including:

- injunctive relief,
- eviction of non-compliant tenants (through the Owner),
- legal action for damages,
- recovery of attorneys' fees and costs, and
- enforcement through the courts.

#### **Section 8.8 – Liability for Conduct of Occupants**

Unit Owners are responsible for ensuring compliance by:

- tenants,
- residents,
- guests, and
- invitees.

Violations by any such person are deemed violations by the Owner.

#### **Section 8.9 – Collection of Fines**

Unpaid fines, fees, and charges may be:

- added to the Owner's account,
- collected as assessments, and
- enforced through the Association's lien rights to the extent permitted by law.

## **ARTICLE 9 INDEMNIFICATION**

### **Section 9.1 – Indemnification of Directors, Officers, Committee Members, and Agents**

To the fullest extent permitted by the Illinois Condominium Property Act and the Illinois General Not-For-Profit Corporation Act, the Association shall indemnify any current or former Director, Officer, committee member, or authorized agent who is or was a party to, or is threatened to be made a party to, any civil, criminal, administrative, or investigative proceeding by reason of their service to the Association, provided that:

1. The individual acted in good faith;
2. The individual acted within the scope of their authority;
3. The conduct was reasonably believed to be in, or not opposed to, the best interests of the Association; and
4. In criminal matters, the individual had no reasonable cause to believe their conduct was unlawful.

Indemnification may include:

- expenses (including reasonable attorneys' fees),
- judgments,
- fines,
- settlements, and
- amounts reasonably incurred in connection with the proceeding.

### **Section 9.2 – Advancement of Expenses**

The Association may advance litigation expenses, including attorneys' fees, to an indemnified person upon receipt of:

1. a written affirmation of good-faith compliance with Section 9.1, and
2. a written undertaking to repay such amounts if it is later determined that the person was not entitled to indemnification.

### **Section 9.3 – Directors & Officers Insurance**

The Association shall maintain Directors & Officers (D&O) liability insurance covering past and present Directors, Officers, committee members, and volunteers to the extent reasonably available. Such insurance is in addition to, and not in limitation of, the rights provided in this Article.

### **Section 9.4 – Non-Exclusivity**

The rights provided in this Article are not exclusive of any other rights to which an individual may be entitled under:

- the Declaration,
- the By-Laws,
- the Articles of Incorporation,
- any vote of the Board or Owners, or
- applicable law.

### **Section 9.5 – No Indemnification for Misconduct**

No indemnification shall be provided for:

1. intentional misconduct or knowing violations of the law;
2. gross negligence;
3. actions resulting in personal profit or advantage to which the individual was not legally entitled;
4. actions outside the scope of authority.

### **Section 9.6 – Limitation of Liability**

To the fullest extent permitted by law, no Director, Officer, committee member, or volunteer shall be personally liable to the Association or any Owner for monetary damages resulting from their service, except as described in Section 9.5.

**Section 9.7 – Survival and Benefit**

Indemnification under this Article:

- continues after the individual ceases to serve the Association, and
- benefits the individual’s heirs, executors, administrators, and legal representatives.

**ARTICLE 10  
AMENDMENTS**

These By-laws may be amended or modified from time to time by action or approval of the voting members representing at least two-thirds (2/3) of all Units, provided, however, that no provision in these By-laws may be amended or modified so as to conflict with the provisions of the Condominium Property Act. Such amendments shall be recorded in the Office of the Recorder of Deeds of Champaign County, Illinois.

**ARTICLE 11  
MISCELLANEOUS**

**Section 11.1 – No Waiver**

The failure of the Association or the Board to enforce any provision of the governing documents shall not be deemed a waiver of the right to enforce that provision or any other provision at any time.

**Section 11.2 – Severability**

If any provision of these By-Laws is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

**Section 11.3 – Interpretation**

These By-Laws shall be interpreted to promote effective and efficient governance of the Association, consistent with the Declaration and the Illinois Condominium Property Act.

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**Amendment of the By-Laws dated this 9<sup>th</sup> day of January 2026.**