

BY-LAWS OF THE LAKE DUNMORE/FERN LAKE ASSOCIATION, INCORPORATED

Article I—Mission

The mission of the Lake Dunmore Fern Lake Association, Incorporated, hereinafter the “Association,” is to protect and enhance the natural vitality of Lake Dunmore and Fern Lake while preserving the recreational and lifestyle interest of the Lakes’ community. In so doing, the Association protects the Lakes’ value as a public recreational facility and respects the interests of property owners and the public.

Article II--Activities to Support the Mission

Specific activities to support the Association’s mission may include:

- Enhancement of water quality through a) testing, b) educational programs for members and the public, and c) control and elimination of native and non-native aquatic plants and animals that may be harmful to Lake Dunmore and Fern Lake, including but not limited to Eurasian milfoil, water chestnuts and zebra mussels,
- Water safety guidance for all seasons and all users of the Lakes,
- Promotion of mosquito control to enhance the health and welfare of the Lakes' community and the region's recreational value, and
- Similar programs consistent with the Association’s mission.

In carrying out its mission, the Association also may:

- Receive, accept gifts of, take by bequest, or otherwise own tangible personal and real property including money in investment securities to be invested and distributed to assist the Association in pursuing its goals
- Engage in any lawful activity or activities for which non-profit corporations or associations may be organized under Vermont Non-Profit Corporation Act.

However, in no event shall any of the assets or property of the Association or the proceeds of any of these assets be distributed to any Member or Members of the Association either for reimbursement of a sum contributed or donated by such Members.

If the Association were to dissolve or if the Association were to cease to carry out its mission as set forth in this Article II and Article I above, all of the Association’s property or assets shall go to and be distributed exclusively for a charitable purpose to be selected by its Board of Trustees, such purpose to be within the scope and meaning of the applicable regulations of Section 501 (c)(3) of the Internal Revenue Code. This procedure is further described in Article XIII below.

Article III—Structure

The Association:

- Shall be a non-profit, non-political, charitable and educational organization within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986,
- Have no capital stock and shall be composed of Members rather than stockholders, and
- Shall be managed by a Board of Trustees.

Article IV—Membership

1. Membership in the Association shall be open to any person who supports the mission and goals of the Association. There are three categories of membership:
 - Voting Members shall consist of persons owning real estate on or adjacent to the shores of Lake Dunmore or Fern Lake, including owners of property abutting the roads around the Lakes. In these By-Laws, the word “Member” hereinafter means “Voting Member” unless preceded by the word “Associate” or “Special”.
 - Associate Members shall consist of persons who do not meet the requirements for voting membership. Associate Members shall have all the rights, privileges and responsibilities of a Member except the right to vote at the Annual or Special meetings of the Membership. An Associate Member can become a Voting Member if nominated by a Member of the Board of Trustees and approved by the Board at a regular or Special Meeting by two-thirds (2/3) vote of the Board Members present and voting.
 - Special Members shall consist of persons admitted to membership by a simple majority vote of the Board of Trustees. Special Members shall have neither the right to vote nor the right to become a Voting Member directly from that status.
2. The Annual Meeting, with the advice of the Board of Trustees, shall establish annual dues for membership.
3. Before becoming a Member or Associate Member, an application for membership must be completed and the appropriate annual dues must be paid.

Article V—Membership Dues

1. Payment Amounts. The Board of Trustees may present a change in dues to any Annual Meeting. Approval at the Annual Meeting by a vote of the Members shall be required before any change to annual dues can be deemed approved.
2. Effective Date of Change. The effective date of any change in dues levels shall be the first day of the Fiscal Year after its approval.
3. Payment of Dues. Membership dues will be solicited in the spring of each calendar year. Current Membership status will be recognized by the delivery of a membership “tag” after the dues payment has been processed. Payment of dues by a Member is ordinarily anticipated within thirty (30) days of the start of the “summer season”—the period beginning with Memorial Day each year.
4. Resignation. Any Member may resign membership by giving written notice of resignation to the Secretary. Such resignation shall be effective upon written acknowledgement of the resignation by the Secretary. In addition, any Member who fails to pay his or her pertinent annual dues before the commencement of each Annual Meeting shall be deemed to have resigned as of that date.

Article VI—Meetings of Members

1. Notice. Unless otherwise established as set forth hereinafter, the Annual Meeting shall be held the first Monday following the Fourth of July of each year at seven (7) o'clock p.m. at the Salisbury Congregational Church unless an alternate date is selected by the Board of Trustees as set forth hereafter. Notice of an Annual Meeting established on an alternate date, time or place shall be posted on the Association’s website and in addition thereto, mailed to each member at the address in the Association’s records at least ten (10) days prior to the Annual Meeting.
2. Mailed. The word “mailed” as used in these By-Laws shall include the use of the United States Postal Service or similar delivery service, telephonic communication, and electronic

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- communication. The Board of Trustees shall use due diligence to ensure that all Members receive all appropriate communications.
3. Special Meetings. Special Meetings may be called at any time by the President, Executive Committee or by 35 current Members in good standing who sign, date and deliver to the President or Secretary one or more written demands for the Meeting. The demand calling for the meeting must describe the purpose or purposes for which the Special Meeting is to be held. A notice setting forth the date, time, place and purpose(s) of any Special Meeting shall be mailed to each Member at the address in the Association's records at least ten (10) days prior to the Special Meeting. Business at any Special Meeting shall:
 - Be limited only to that which is stated in the Notice.
 - Not include modification to these By-Laws, modification to dues, nor election of Trustees.
 4. Quorum. A quorum (defined as the minimum number of Members who must be present in order for business to be conducted at a meeting of the Association) is established as follows:
 - For a Special Meeting, the presence of seventy-five (75) Members (or 20% of the total membership of the Association, whichever is greater).
 - For the Annual Meeting, the presence of thirty-five (35) or more Members in good standing at the time of such Annual Meeting.
 5. Voting. Each Member shall be entitled to one (1) vote at any Annual or Special Meeting. However, should two (2) or more persons jointly own property qualifying them for membership, such joint owners, regardless of their number, shall be limited to not more than two (2) votes. In order to vote, a Member must be present at the meeting at the time the vote is called. No Member may vote by proxy or absentee ballot. A majority vote of Members present and voting at any Annual or Special Meeting is required for any measure to be deemed passed, unless specifically required otherwise by these By-Laws.
 6. Procedure. The most recent Revised Edition of Robert's Rules of Order shall be in force at any Association Meeting. The President has the discretion to recognize persons who are not part of any Association membership category to speak.
 7. Order of Business. The business to be conducted at any Annual or Special Meeting of the Members shall be limited to the following:
 - Reading, correction and approval of minutes of previous Annual or Special Meeting(s) of the Members.
 - Receiving the Report of the Officers.
 - Receiving the Report of Committees.
 - Election of Trustees (only at Annual, but not at Special Meetings).
 - Modification of Association dues (only at Annual, but not at Special Meetings).
 - Modification to By-Laws (only at Annual, but not at Special Meetings).
 - Receiving the comments of Members, and discussion of the same, so long as the same is approved by the President.

Article VII—Trustees

1. Membership. The Board of Trustees shall consist of no fewer than 12 nor more than 15 Members. At each Annual Meeting, Members may re-elect current Trustees whose terms have expired and/or elect any other Members as Trustees. Each Trustee shall hold office for a term lasting until the conclusion of third (3rd) Annual Meeting after his/her election or re-election, whichever is appropriate. A Trustee may be elected to no more than two (2) consecutive terms.
2. Qualification. Each Trustee must at the time of election be a Member in good standing of the Association and must continue to be a Member in good standing during the Trustee's term.

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3. Conflict of Interest. A Trustee is expected to act in an ethical fashion. Consistent with this policy, each Trustee must submit annually to the Secretary that no possible conflict of interest exists between personal and/or family financial interests and the Association's interests. If a potential conflict is identified, the President shall appoint an ad hoc committee of three (3) disinterested Trustees who will conduct an appropriate investigation and provide a timely written report of findings to the President. The President will be responsible for further implementation of action, if any.
4. Vacancy. Any vacancy in the Board of Trustees by reason of death, resignation or other cause shall be filled by the remaining Trustees choosing a Member in good standing to serve as Trustee until the next Annual Meeting. That period of service as a Trustee shall not count toward the limit of two consecutive terms described in Paragraph VII, 1 above.
5. Meetings. The Trustees shall schedule at least four (4) meetings in the 12-month period between Annual Meetings of the Association. Special Meetings may be called by any five (5) Trustees by giving five (5) days' notice by mail to each Trustee. A majority of the Trustees shall constitute a quorum. Participation by electronic means shall be permitted. Voting shall also be permitted via electronic means, but only in the event said Trustee also participates in discussion and/or presentation regarding the matter(s) at issue. Action by the Board of Trustees may also be permitted without the actual meeting pursuant to 11A V.S.A. § 8.21 (written consents and waivers by each Trustee).
6. Resignation. Any Trustee absent from three (3) consecutive Meetings without "good cause" may, at the President's discretion, be considered to have resigned. "Good cause" shall be any reason for which absence is excused by the President. However, a Trustee terminated under this provision may appeal within 30 days to the Board of Trustees for reconsideration under Paragraph VII. 7 below.
7. A Trustee may be removed from office at any regularly scheduled or Special Meeting with the approval of two-thirds (2/3) of the Trustees present and voting at the meeting. However, before any such consideration by the Board, each Trustee must be given five (5) days' notice by mail of the proposed action.
8. Compensation. Members of the Board generally shall not be compensated for their time and efforts as Trustee. However, with approval of the Board, reasonable compensation may be paid to a Trustee for "extraordinary" services in support of the Association's mission and/or goals. The Board has full and complete discretion in determining what services meet the "extraordinary" standard. In addition, the Board may authorize payment to any Trustee for actual and necessary expenses incurred while on Association business.

Article VIII—Officers

The Association's Officers shall consist of the President, First Vice President, Second Vice President, Secretary and Treasurer. Officers shall be members of the Board of Trustees. The establishment of committees (see Article IX below) shall be accomplished at the first meeting of the Board following the Association's Annual Meeting. The Meeting for the election of Officers, and the Meeting to establish committees, shall be held no later than 30 days after the Annual Meeting. Each Officer shall serve for a term of two (2) years and for no more than two (2) consecutive terms in that position.

1. President. The President shall preside over all meetings of Members, as well as meetings of the Board of Trustees. The President also shall have general charge and control of the Association's affairs, subject to the approval of the Board of Trustees and the Executive Committee. The President shall be an ex-officio member of all Association committees. If, at the end of the President's term in office, he or she would no longer be a Trustee, the outgoing President also shall be an ex officio Trustee for one additional year

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2. First Vice President. The First Vice President shall serve as and perform the duties of the President in the absence of the President.
3. Second Vice President. The Second Vice President shall serve and perform the duties of the First Vice President in the absence of the First Vice President.
4. Secretary. The Secretary shall be responsible for the custody of all of the Association's records, papers, reports and documents. In addition, the Secretary shall be responsible for keeping and reporting of all Association and Board Meetings. The Secretary may, as directed by the Board of Trustees, sign any legal documents and/or State and Federal forms in the name of the Association. To assist the Secretary in the performance of these duties, the Board may appoint an Executive Secretary. The Executive Secretary may also perform such other duties as designated by the Board. Remuneration for the Executive Secretary will be determined by the Board.
5. Treasurer. The Treasurer shall be responsible for the keeping of the Association's money and shall disburse all monies and valuables of the Association in such bank or banks as the Trustees may designate. The Treasurer shall maintain tax records in compliance with Internal Revenue Service regulations. The Treasurer shall provide financial statements to the Board at such times as requested by the President. The Treasurer shall present a financial statement to the Members at the Annual Meeting.

Article IX—Committees

The following committees shall be standing committees of the Association:

1. Executive. The Executive Committee shall consist of the Association's Officers. If an Officer (s) is not available, the President, at his/her discretion, may appoint another Trustee(s) to serve as an alternate(s). At times other than Board Meetings, the Executive Committee shall have the power to manage and direct the Association's affairs and may exercise all the powers of the Board of Trustees under applicable statutes, the Association's Articles of Incorporation, or the Association's By-Laws. The President shall be the Chairperson of the Executive Committee and shall have the power to call Meetings at any time.
2. Finance. The Finance Committee shall consist of at least three (3) Members of the Board of Trustees. Two (2) of those Committee Members shall be appointed by the President with the concurrence of the Board of Trustees. The Treasurer automatically shall serve on the Finance Committee and shall be the third Member of said Committee. The duties of the Finance Committee (among others which may be designated by the President) shall be to establish the annual budget for the Association.
3. Nominating. The Nominating Committee shall consist of three (3) Board Members appointed by the President with the concurrence of the Board. The Nominating Committee shall submit a slate of suggested Trustees at the Annual Meeting. Nomination of a candidate for the position of Trustee also may be made from the floor at the Annual Meeting.
4. Investment Advisory Committee. The Investment Advisory Committee shall consist of at least one(1) Board Members and up to four (4) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Investment Advisory Committee shall be to make recommendations to the Board regarding investment and management of the endowment fund and other resources of the Association in accordance with the existing resolution(s) established by the Board of Trustees.
5. Aquatic Invasive Species Committee. The Aquatic Invasive Species Committee shall consist of at least one(1) Board Members and up to four (4) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Aquatic Invasive Species Committee shall be to (among others which may be designated by the President) oversee all aspects of the Milfoil Control/Eradication Program, provide recommendations to the Finance Committee regarding budgetary needs for the Milfoil Control/Eradication Program, and

recommend to the Board policies and procedures to employ with respect to the Milfoil Control/Eradication Program.

6. Audit Committee. The Audit Committee shall consist of at least two (2) Board Members and up to three (3) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Audit Committee shall be to conduct, in the discretion of the President, audit and/or review of investments and expenditures of the Association, and other duties assigned by the President.

THE FOLLOWING COMMITTEES MAY BE STANDING COMMITTEES OF THE ASSOCIATION IF DEEMED NECESSARY BY THE PRESIDENT:

7. Membership Coordination. If established, the Membership Committee shall consist of at least one (1) Board Member and up to three (3) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Membership Committee shall be to monitor and coordinate increase in membership, collect any dues, organize and distribute welcome packages, and other duties assigned by the President.
8. Communication Committee. If established, the Communication Committee shall consist of at least one(1) Board Member and up to three(3) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Communication Committee shall be to establish, maintain and monitor the website, prepare, edit and distribute the newsletter, and act as the liaison to the public with respect to questions posed to the Association, and other duties assigned by the President.
9. Insect Control Committee. If established, the Insect Control Committee shall consist of at least one(1) Board Member and up to three (3) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Insect Control Committee shall be to act as the liaison between the Association and the Brandon/Leicester/Salisbury/Goshen Insect Control District (so-called), and other duties assigned by the President.
10. Water Safety Committee. If established, the Water Safety Committee shall consist of at least one (1) Board Member and up to three (3) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Water Safety Committee shall be to establish, in its discretion, appropriate water safety publications, training programs, and awareness programs, and other duties assigned by the President.
11. Fund Raising Committee. If established, the Fund Raising Committee shall consist of at least one (1) Board Member and up to five (5) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Fund Raising Committee shall be to raise funds for the continuing operations and endowment of the Association. The Fund Raising Committee shall also have responsibility to establish, maintain and sponsor the Annual Auction, the “Dunmore Dip” (so-called), and other related fund-raising matters assigned by the President.
12. Social Events/Annual Picnic Committee. If established, the Social Events/Annual Picnic Committee shall consist of at least one (1) Board Members and up to five (5) Members (non-Board Members) appointed by the President with the concurrence of the Board. The purpose of the Social Events/Annual Picnic Committee shall be to organize and supervise all aspects of the Association Annual Picnic (so-called) and to coordinate the same with the Fund Raising Committee, and other duties assigned by the President.
13. Other. The President may appoint other committees as deemed necessary.

Article X—Amendments

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As set forth in Article VI (7) hereinbefore stated, any proposed changes to these By-Laws shall occur only at the Annual Meeting of the Membership. The text of any proposed changes to these By-Laws shall be mailed to each Member at the address in the Association's records at least ten (10) days prior to the Annual Meeting. Approval of any amendments to these By-Laws shall be accomplished by a two-thirds (2/3) vote of the Members present and voting at the Annual Meeting.

Article XI—Political Activity

The Association shall neither use its name nor monies in any political activity in support of or in opposition to any candidate for public office. The Association may inform public officers of its positions on matters directly relevant to the Association's mission. Nothing in this Article shall be construed as a limitation on any Member's exercise of constitutional rights.

Article XII—Nondiscrimination

The Association shall not discriminate against individuals or groups on the basis of race, religion, color, sex, age, disability, national origin, income or political affiliation in any of its policies, recommendations or actions.

Article XIII—Dissolution

As noted in Article II above, under certain circumstances the Association may be dissolved.

The Board of Trustees may recommend that the Association be dissolved. Such a recommendation must be approved by a two-thirds vote of all Trustees. The matter of dissolution must then be presented, with adequate notice, to a Special Meeting or Annual Meeting of the Association. A two-thirds vote of the membership shall be required to sell or mortgage any of the Association's assets not in the regular course of business or to dissolve the Association.

Upon dissolution, any assets remaining after payment of or provision for the Association's debts and liabilities shall, consistent with the purposes of the organization, be paid over to charitable organizations exempt under the provisions of Section 501 (c)(3) of the U.S. Internal Revenue Code or corresponding provisions of subsequently enacted federal law. No part of the net assets or net earnings of the Association shall inure to the benefit of or be paid or distributed to an Officer, Member of the Board of Trustees, any other Member, employee of or donor to the Association.

Article XIV--Miscellaneous Provisions

1. Indemnification. The Association shall indemnify any Board Member or Officer who was, is or may be involved in legal proceedings by virtue of his or her good faith actions on behalf on the Association.
2. Fiscal Year. The records and accounts of the Association shall be maintained beginning as of each January 1 and ending on the following December 31.
3. Mailing Address. The mailing address for official written communication with the Association through the Postal Service shall be P. O. Box 14, Salisbury, VT 05769.