



## **Bylaws**

Of

The

## **Golf Club Estates Property Owners' Association Inc**

BYLAWS OF THE  
GOLF CLUB ESTATES PROPERTY OWNERS' ASSOCIATION INC

The name of the organization shall be Golf Club Estates Property Owners Association, Incorporated.

## ARTICLE I

### PURPOSE

The Golf Club Estates Property Owners' Association has as its purpose the promotion and enhancement of the community welfare of its members. It shall have such powers as are set forth in the Articles of Incorporation and which are granted to it by law. It shall have the power to acquire, own, operate, and maintain property of all kinds or classifications, whether by purchase or by gift; and it shall do whatever is necessary, appropriate, or incidental to the accomplishment of its purposes or powers.

## ARTICLE II

### DEFINITIONS

The following terms as used in these Bylaws are defined as follows:

- ASSOCIATION - means the Priest Lakes Golf Estates Property Owners' Association, Inc., an Idaho not-for-profit corporation.
- BOARD - means the Board of Directors of the Priest Lakes Golf Estates Property Owners' Association, Inc.
- DEVELOPER- means Priest Lake Golf Club, Inc.
- PROTECTIVE COVENANTS - means the conditions, covenants, and restrictions for the various subdivision units within the Priest Lakes Golf Estates PUD as supplemented or amended from time to time.
- PUD - means Planned Unit Development for the Priest Lakes Golf Estates, situated in Bonner County, Idaho as the same may be shown on the plats thereof as may be recorded from time to time.
- LOT – means the lot, tract, or parcel of land designated on the plats of the Planned Unit Development or any unit in a duplex or any unit in a condominium or townhouse within the PUD subdivision
- DWELLING UNIT - means a residence constructed upon any single-family lot or duplex lot, or an individual condominium, apartment, or townhouse unit within the PUD subdivision
- OWNER – means
  - a. any person or legal entity including the developer who holds fee simple title to any lot, or unit on a duplex lot, or an individual condominium, or townhouse unit or undeveloped or developed multi-family or commercial acreage.
  - b. Any person or legal entity who is purchasing a lot or unit under a contract of sale.
- PLAT - means the maps or plats of the Golf Club Estates PUD subdivision units as they are from time to time recorded at the Bonner County Courthouse.
- GENDER - whenever used in these Bylaws, unless the context shall otherwise provide, the use of any gender shall include and refer to all genders.

**ARTICLE III**  
**MEMBERSHIP**

1. **Classes of Members.** The Association shall have members and associate members. A member is entitled to all privileges of the Association and to vote at Association meetings and elections. An Associate Member is entitled to all the privileges of the Association but has no vote.
2. **Members.** Any person whose name appears as owner or part owner on an installment purchase contract for a lot or multi-family or commercial acreage or on a deed for a lot or multi-family or commercial acreage shall automatically be a member in the Association for the duration of that ownership and privileges shall be afforded such member's provided assessments are paid up currently.,
3. **Associate Members.** The following persons, if not otherwise members, shall upon written request and subject to such conditions, rules, and regulations of the Board, be associate members of the Association
  - a. The children of a member who have the same principal residence as the member.
  - b. Persons who are tenants or regular non-owner occupants of residences constructed on any residential lot or multi-family acreage as previously mentioned.
  - c. Other persons, who by virtue of special written agreement with the Association shall be entitled to associate membership.
  - d.
4. **Privileges and Duties of Members.**
  - a. Members shall have a license to use recreational facilities owned or operated by the Association. The use thereof, shall be subject to such rules, regulations, and charges that may be established by the Board or by the owner or the operators of such facility.
  - b. **Duty to pay assessment - until further action by the Board!** Association assessments are to be by lot, or unit, or multi-family/commercial acreage as follows:
    - \$120 per annum for each developed single-family lot
    - \$60 per annum for each developed multi-family approved unit.
    - \$30 per annum for each undeveloped multi-family approved unit.

These rates may be revised periodically as set forth in this document. However, the relative ratios, of assessment rates, among the several types of properties, shall never be modified, without 100% approval of the membership. The initial rates are determined, allowing for reasonable reserves for replacement and cost increases, in accordance with sound business practices.

A lot or acreage within the PUD shall be considered developed in the date a Certificate of Occupancy for improvements located thereon shall have been issued by Bonner County, or twelve months after issuance of a building permit, whichever occur first.

The above sums or any sums which may be established as the assessment under these Bylaws shall be payable annually on or before the first of January during term of ownership by each lot or multi-family or commercial acreage owner or as the Board determines. All assessments shall become a lien as provided herein below and shall be collectible in accordance therewith. If a purchaser takes title on a date other than January 1st, the fees due hereunder shall be prorated between purchaser and seller.

- c. **Limitation on Memberships:**
  - 1 All legal owners of deeds to lots or multi-family acreage in the PUD or purchasers under installment land contracts shall be entitled to membership in the Association and such membership shall be automatic except that full membership privileges as set forth herein shall be limited to five (5) persons among persons listed as owners or part owners on any sales contract or deed or for any lot, multi-family acreage within the PUD.
  - 2 In the event that a lot or acreage is owned by a corporation, association or similar entity, such owning entity may advise the Association, in writing, of the names of up to three people it wishes to be extended membership in the Association, as an associate member. The Board

may, if in its opinion it would be appropriate to do so, designate as associate members a corporation's shareholders, officers, employees, or any group of them. If the designation of corporate members is not made as required herein, the Board may designate the person who is to be the member.

- d. Voting - as described herein Certificates of membership will be sent to all owners, upon receipt of original assessment payments by the Association, at the receipt of one certificate for each lot, or parcel of undeveloped multi-family acreage within the PUD. These certificates will entitle the holder to a ballot at Association meetings and elections.

If title to any lot, condominium or townhouse unit, multi-family acreage within the PUD is held by more than one person or by a firm, corporation, partnership, trust, association or other legal entity or combination thereof, such owner shall, at sale closing, execute a proxy appointing and authorizing one person to attend all Association meetings and elections and there as to vote on behalf of such owner. Membership certificate shall be forwarded to this person, as authorized, at the address designed by owner at sale closing. Such authorized person and address for mailings, shall remain effective unless voluntarily revoked by owner or sooner terminated by operation of law; provided, however, that within thirty days after revocation, amendment or termination, the owner shall reappoint and authorize another person for voting purposes.

Members shall be entitled to vote as follows: One vote per single family lot, duplex unit, condominium, or townhouse owner

- e. Suspension of Privileges of Membership - The Board may suspend the voting privileges (if any) of a member and the license of any member or associate member to use properties owned or controlled by the Association, for the following causes:
  - (1) Nonpayment of the charges or assessments levied by the Association
  - (2) Continuing violation of the provisions of the Protective Covenants for the PUD, after the existence of the violation has been brought to the attention of the member in writing by the Board.

5. Privileges and Duties of Associate Members. Associate members shall have such privileges and duties and be subject to such charges or fees as the Board from time to time may, by resolution, establish. There shall be uniformity of rule and regulation only as to those associate members whose memberships are attributable to the same source (i.e. persons who are associate members by virtue of being a child of a member shall be treated with uniformity). There need not otherwise be uniformity of rights and privileges, and duties among associate members.

## ARTICLE IV

### EVIDENCE OF MEMBERSHIP AND TRANSFER

1. Membership Certificates. Membership certificates, as issued, shall indicate the real property, the ownership of which gives rise to the membership, and shall also clearly state that the Association is a not-for-profit corporation. Adequate records shall be maintained by the Association showing the names of the members and associate members and the type of membership and the date thereof.
2. Transfer. When a member ceases to be an owner, such person's membership, and those associate memberships existing through relationship to such person, shall cease, and such person shall remain liable for all charges by the Association incurred prior to the giving of written notice to the Association that such person is no longer an owner. Such member's Certificate of Ownership shall become void upon transfer, and a new Certificate shall be issued to the transferee.

## ARTICLE V

### MEETINGS OF MEMBERS

1. The Place of Meetings. Meetings of the members of the Association shall be held at such place as may be specified by the Board in the Notice of the
2. Meeting. Date of Annual Association Meeting. The date for the annual Association meeting shall be the first Sunday in August, unless it is changed by resolution of the Board of Director Meetings will normally be in the morning of this date, as stated in the Notice of the Meeting.
3. Procedure for Calling a Meeting. Meetings of the members of the Association shall be held annually and at such other times as the Board may designate. Written notice of the place, date, and hour of the meeting, designating the purpose or purposes for which the meeting has been called shall be delivered not less than thirty days nor more than sixty days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the person/persons entitled to such notice, as their names appear in the records of the Association with postage prepaid.
4. Quorum. Except as otherwise provided in the Protective Covenants and these Bylaws, the presence in person or by proxy of those owners present after properly mailed Notice of Meeting shall constitute a quorum. An affirmative vote of a majority of the owners present either in person or by proxy, shall be required to transact the business of the meeting.
5. Voting Privileges. A member in good standing shall have the right to vote at any meeting of the Association, pursuant to Article III, Section 4, Subsection d of these Bylaws. Associate members shall not be entitled to voting privileges.
6. Proxies. Any member may, at any time, nominate and appoint any person or persons of lawful age, with or without the right of substitution, as his attorney-in-fact and agent in his name, place and stead, to vote as his proxy at any meeting of the members of the Association, and such person named as proxy shall have ... all the powers and privileges that the member would have if present in person. Such appointment of proxy shall be in writing and signed by the member, provided however, that no proxy shall be valid for a period more than eleven calendar months immediately following the date of its execution. The be entitled to vote<sup>1</sup> such persons appointed as attorneys-in-fact and agents of any member to vote as h\s proxy, or such person\ s substitute shall be present at the meeting for which said person is appointed. All substitutions shall be in writing. A telegram, cablegram, facsimile, radiogram, which is reduced to writing and delivered to the Association shall be considered as being "In writing" under the provisions of this Section.

## ARTICLE VI

### COMMITTEES

1. Formation. At the first meeting of the Board of Directors after the first annual Association meeting<sup>1</sup> the Board shall appoint members or in their discretion, non-members, to various operating committees such as:
  - a. The Covenants Committee - which shall supervise the administration of the Protective Covenants for the Priest Lakes Golf Estates Property Owners' Association subject to final authority of the Board.
  - b. The Architectural Review Board - which shall, under the direction of the Covenants Committee, pass on the nature of the improvements.
  - c. Other Committees, i.e., Golf, Greenbelt Management, Winter Recreation Area Committees, Water Ways, and Marina Management, etc. as may from time to time be formed by the Board.

Members of the Board may serve additionally on committees and members of committees may serve on other committees.

2. Vacancies. When Irregular vacancies are created by resignation, death or other causes, the Board shall appoint members or in their discretion, non-members, to fill such vacancies.
3. Budget. Prior to November 30th of each year, Committee Chairman will submit budget for their activities to the Association Treasurer who will assemble a composite budget for the Association. The Treasurer will then submit the total Association budget to the Board for their approval prior to the end of each calendar year. Upon approval of the budget by the Board, it shall be the responsibility of each Operating Committee Chairman to conduct his or her phase of the operation within the limits of the budget for the ensuing calendar year.

## ARTICLE VII

### The DIRECTORS

1. Power and Duties. The Board of Directors shall:
  - a. Establish Procedures under which the Officers must manage the affairs of the Association.
  - b. Adopt a corporate seal of the Association.
  - c. Designate a banking institution as the depository for the Association's funds and the Officer or Officers authorized to make withdrawals therefrom. No more than three Officers shall be authorized to sign checks, upon the Association accounts and these Officers shall be bonded for at least one and one-half the annual Income of the Association. One signature shall be sufficient for the payment of routine amounts up to \$1,000.00 but two signatures shall be necessary for amounts exceeding \$1,000.00.
  - d. Perform other acts, the authority for which has been granted in these Bylaws or by Idaho law, subject to the following: It is intended that the Association operate on and within a balanced budget. Accordingly, the Association shall not have the power to borrow money, whether through pledging, encumbering or signing. Association property, or future Association revenues or otherwise until such time as all PUD recreational amenities have been transferred to the Association by the developer pursuant to PUD property sales contracts.
  - e. The expenditure of money for any project which exceeds in cost one-half of the annual Income of the association shall require a majority vote of the members present at a meeting of the Association.
  - f. Adopt and publish such Rules and Regulations relating to the use of the Association property, and sanctions for non-compliance therewith, as it may deem reasonably necessary for the best interest of the Association and its members. The Board may also establish and levy reasonable fees for the issuance of permits, for the erecting or replacing improvements on any lot or acreage and for the use of the Association property.
  - g. Cause the Association to employ sufficient personnel to perform the responsibilities of the Association to its members. Such personnel may also be volunteers from the Association.
  - h. Adopt Roberts Rules of Order for conducting all Board meetings, and Association meetings. The Board will appoint a member of the Association to function as Parliamentarian at Association meetings, and his ruling- on procedural questions shall be final.
  - i. The Board shall have the power to adopt or reject annual Association budgets, which are submitted to it by the Treasurer. It shall then levy the monthly assessment for the current year at a rate capable of financing the annual budget. No deficit budgets are allowed. In the event the amounts generated by the previous year's assessments, together with any other anticipated revenue, will not provide enough revenue to meet the estimated annual opera-

tions budget for the Association, the previous monthly assessments shall be adjusted in a manner that allows for a balanced budget, or the Board may levy a special assessment, subject to conditions noted below. The Board shall adopt such updated assessments on or before the first day of March in each year and shall fix the time for the payment thereof as being on or before the first day of May each year.

The Board shall be entitled to increase monthly assessments, as set forth originally in Article III, Section 4, above, up to 15 percent per year without prior approval of Association members. Any increases over 15 percent per year or special assessment needed to balance the Association budget shall first be authorized by a two-thirds majority vote of members present at an Association meeting called expressly therefor and property noticed to all owners.

- j. The Board shall hold at least two meetings per year, one of which shall be for the purpose of reviewing the Association budget before the start of a new calendar year. Other meetings will be convened at the discretion of the President of the Association to act on matters needed to keep affairs of the association running smoothly.
- k. The amount of the assessments shall be the personal and individual debt of PUD property owners. No owner may exempt himself from liability for assessment by waiver of the use or enjoyment of any of the recreational amenities or Association property or by abandonment, of his real property interest. In the event of default in the payment of the assessments owing, the owner shall be obligated to pay interest at the rate of eighteen percent per annum on the amount of assessment from due date thereof, together with all expenses, including reasonable attorney's fees, incurred together with such late charges as may be provided or adopted from time to time by the Board.
- l. The board may assess a late charge, or charges, for any assessments not paid when due up to the maximum amount allowed by Idaho law.

Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing same and may be brought in small claims court for any single delinquency owing.

In a manner similar to that noted herein, the Board shall have the power and authority to file and/or enforce a lien upon the property of an owner who is in violation of the Protective Covenants as more fully described in said covenants.

All sums assessed but unpaid for assessments owing shall constitute a lien upon the defaulting owner's property superior to all other liens and encumbrances, except only for:

- (1) Tax and special assessment liens on the property, and
- (2) All sums unpaid on a first mortgage or a first deed of trust of record including all unpaid obligatory sums as may be provided by such encumbrance.

In the event the Board must file a Notice of Intention to File Lien for unpaid assessments<sup>1</sup> or to file and/or foreclosure upon same, the defaulting owner shall be required to pay all costs, including reasonable attorney fees incurred by the Board. The owner shall be further required to pay the Association all assessments accruing during the period of foreclosure, including all periods of redemption and the Association shall have the power to bid in the respective property at foreclosure or other legal sale and acquire, hold, lease<sup>1</sup> mortgage. vote the votes appurtenant to convey or otherwise deal with the same.

Any encumbrance holding a lien on property within the PUD may pay, but shall not be required to pay, any unpaid assessments remaining unpaid for longer than twenty-five days after same are due; provided, however, that such mortgagee shall have forwarded to the Board, notice of such encumbrance.

2. Number of Directors. The number of Directors shall be three. Directors may but need not be members of the Association or Idaho residents and shall be selected by the property owners and the developer so long as developer holds unsold lots.

3. **Selection and Term.** The initial Board of Directors was selected by the incorporator of the Association with all Directors furnished by the developer. To preserve the utmost continuity, Directors will be chosen so that the terms of no more than two expire simultaneously. Accordingly, at the first annual meeting of the Association, two Directors shall be elected to a term of one year, and one for a term of eighteen months. Thereafter all terms shall be for two years. The Board shall fill irregular vacancies created by persons leaving unexpired terms from those persons who have formerly left the office or otherwise from other interested persons.

## ARTICLE VIII

### THE OFFICERS

1. **Officers.** The Officers of the Association shall be the President, Vice President, Secretary/treasurer. Officers may but need not be members of the Association or residents of the state of Idaho. Only one of these offices may be held by the same person simultaneously. All Officers shall be elected by the Board.
2. **President.** The President shall be the general managerial officer of the corporation and he shall be vested with the powers and duties generally incident to the office of the president of a not-for-profit corporation, except as otherwise determined by the Board or as may be otherwise set forth in these Bylaws. At the beginning of his term, the President will also begin serving a term as Director on the Board.
3. **Vice President.** In the absence of the President or in the event of his inability or refusal to act, the Vice President has the power to act and shall thereupon be vested with the powers and duties of the President. He need not be a member of the Board.
4. **Secretary.** The Secretary of the corporation shall keep the minutes of the Association business meetings and shall keep a file of such minutes for the use of the Board. He shall, mail or cause to be mailed all notices required under these Bylaws. He shall have the custody of the corporate seal and the records and maintain an up-to-date list of the members and their addresses and perform all other duties incident to the office of the secretary. The offices of Secretary and Treasurer may be held by the same individual.
5. **Treasurer.** The Treasurer shall have custody of the funds of the Association, collect moneys due, pay obligations of the Association out of its funds, organize the various budgets into an Association budget, make monthly statements of disbursements against the budget, and perform such other duties as are incident to the office of the Treasurer. The Treasurer must be bonded for at least one and one-half the value of the Association's annual income and for such additional amounts as the Board may require. The offices of the Secretary and Treasurer may be held by the same individual.
6. **Removal of Officers.** Any officer may be removed when in the judgment of the Board, the best interests of the Association will be served by such removal.

## ARTICLE IX

### CONVEYANCE OF ASSOCIATION PROPERTY

In the event that the PUD shall at any time in the future be included within the geographical limits of an incorporated municipality the Board of Directors may, if it appears that to do so would be in the best interest of the members of the Association, convey all or any appropriate portion of real property owned at such time to such incorporated municipality, subject to a two-thirds vote of all Association members. Upon adoption by the Board of the resolution authorizing such conveyance, such resolutions shall include the direction



that the conveyance of such real property shall be executed on behalf of the Association by the President and Secretary of the Association. This Section shall in no way omit the conveyance of other property owned by the Association in furtherance of the purposes of the Association.

## ARTICLE X MISCELLANEOUS,

1. Mortgagees. On request, the Association will give any mortgagee (which for purposes of this Article includes the beneficiary of any deed of trust) written notification of any default in the performance by any borrower of any obligation under the Protective Covenants, the Articles of Incorporation, or these Bylaws which default is not cured within sixty days after the same shall occur.

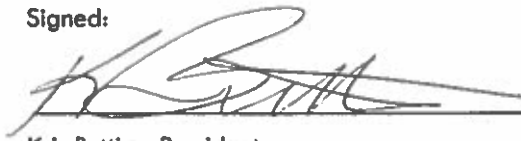
Mortgagees of lots or acreage may, jointly or singly, pay taxes or other charges which are in default, and which may be, or have become, a charge against any Association property and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of the policy, for such property.

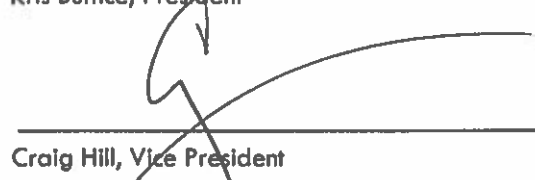
2. Insurance. The annual budget, as approved by the Board of Directors shall, include funds for the payment of premiums for the following insurance policies which must be carried by the Association
  - a. Fire and Extended Coverage for no less than 100% replacement cost for all insurable Association property.
  - b. Comprehensive Public Liability Insurance for all Association property with a Severability of Interest Clause' in amounts no less than one million dollars per occurrence for personal injury and/or property damage.
3. Examination of Books. First mortgagees, their employees or agents, and all Association members or their agents, shall have the right to examine the books and records of the Association.
4. Reserve Fund. The Treasurer, when creating the budget, shall estimate the amount necessary to provide an adequate reserve fund for maintenance, repair or replacement of Association property that must be replaced on a periodic basis and the Board of Directors shall review such determination and upon confirmation or re-estimation, shall provide that such amounts shall be payable as part of the regular monthly assessments.
5. Destruction of Property or Condemnation. In the event of any damage to/or destruction of Association property, or if all or any part thereof shall be taken by exercise of eminent domain, insurance or compensation funds received, may be applied to the repair or replacement of the damaged, destroyed or condemned Association property as the Board of Directors and all first mortgagees may agree.
6. Amendment of Bylaws. The Bylaws of the Association may be amended by a three-fourths vote of the members of the Association present at a meeting called for such purpose. Any proposed change in the Bylaws must first be submitted to, and approved by, the Board of Directors prior to submission to the general membership for a vote. A notice for the meeting must include the changes that are to be made.
7. No Waiver of Rights. The omission or failure of the Association to enforce provisions of these Bylaws or the Rules and Regulations adopted hereunder shall not constitute or be deemed a waiver or release thereof and the Board shall have the right to enforce the same thereafter.
8. Compensation. Each member of the Covenant Committee, and members of the Design Review Board, shall serve in their capacity for those respective Boards and Committee for no compensation. The acceptance to said Board or Committee shall be with the understanding that no compensation will be paid for their services.

9. Indemnification. The Association shall indemnify every Director, Officer and Committee member against all financial liabilities, losses, costs, and expenses including counsel fees reasonably incurred in connection with any action, suit, or proceeding to which he may have been made a party by reason of his being or having been a Director, Officer, or Committee member of the Association except as to matters as to which he shall be finally adjudged in such actions, suit or proceeding to be liable for gross negligence or willful misconduct. Contracts or other commitments made by Directors or Officers shall be made as agent for the Association members and the Directors. Officers and Committee members shall have no personal responsibility on same except as property owners within the PUD if such be the case.
10. Conflicts of Document§. In the case of any conflict between the Bylaws and the Protective Covenants, the Bylaws shall control. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control.
11. Association is Not-For-Profits. The Association is not for profit. This Association is not organized for profit. No member, member of the Board of Directors, Officer or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to or distributed to or inure to the benefit of any member of the Board of Directors, Officer or member except any member, Director, Officer or Committee member may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with administration of the affairs of the Association.
12. The Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December in every year except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Directors of the Golf Club Estates Property Owners Association, Inc., have hereunto set our hands this 30th day of May, 2022.

Signed:

  
 \_\_\_\_\_  
 Kris Buttice, President Date:

  
 \_\_\_\_\_  
 Craig Hill, Vice President Date:

  
 \_\_\_\_\_  
 Vicki Craigen, Secretary/Treasurer Date: