

**CURRENT CRYSTAL LAKES ROAD AND RECREATION ASSOCIATION
ARTICLES OF INCORPORATION & BYLAWS (APRIL 17, 2004)**

ARTICLES OF INCORPORATION

The undersigned persons acting as incorporators of a corporation under the Colorado Nonprofit Corporation Act, sign and acknowledge the following Articles of Incorporation for such corporation:

FIRST: *The name of the corporation is CRYSTAL LAKES ROAD AND RECREATION ASSOCIATION.*

SECOND: *The period of its duration is perpetual.*

THIRD: *The purpose or purposes for which the corporation is organized are:*

- 1. To maintain roads, utilities, easements, and buildings; to operate and maintain recreational facilities for the members and their guests. To furnish and equip such facilities; to buy, sell, lease and exchange or encumber any and all real and/or personal property which may be necessary, advantageous or proper to carry out the objectives or purposes of the corporation and to provide the facilities for roads, water systems, recreational, civic and community projects, and diversions of all kinds and descriptions for the health, welfare, entertainment, and convenience of the members of the corporation and their guests.*
- 2. To accept contributions and donations to the Association for the improvement of the recreational facilities and the general civic good and community betterment of the individuals and groups; to make donations and contributions to charitable organizations and to assist in their charitable work.*
- 3. To exercise all power and authority as may be necessary and/or proper to carry out the objectives and purposes above specified.*
- 4. To borrow money and to make, issue, negotiate and deliver promissory notes, debentures, bonds and other securities or evidence of indebtedness, and to secure payment thereon by mortgage, pledge or other encumbrance upon all or any part of the property or assets.*
- 5. To buy, sell, convey, transfer and encumber, or otherwise acquire or dispose of in any manner, and to lease real or personal property as the Board may deem necessary.*

FOURTH: *The address of the initial registered office of the corporation was Post Office Box 38, Larkspur, Colorado 80118, and the name of its initial registered agent at such address was Lee E. Stubblefield (Douglas County).*

FIFTH: *Address of the principal office is 300 Tami Road, Red Feather Lakes, Colorado 80545. The registered agent at such address is Jodean G. Sandquist, CMCA.*

SIXTH: *The number of Directors constituting the initial Board of Directors of the corporation was five (5), and the names and addresses of the persons who served as the initial directors are:*

*Donald B. Weixelman
1509 East Lake Street
Fort Collins, Colorado*

*Bill Walter
1040 Erie Street
Denver, Colorado*

*Marvin Greenwald
1014 Hahn Court
Loveland, Colorado*

*Bill Krupke
2212 Shropshire
Fort Collins, Colorado*

*Wayne Sodman
3414 11th Street
Greeley, Colorado*

SEVENTH: *Each owner of a lot in the Crystal Lakes subdivision shall be a member of Crystal Lakes Road and Recreation Association, Inc. In the event that any member is delinquent in the payment of his or her assessments, fees, and interest, to the Association, the Association will suspend the right of such member to vote on membership matters until the delinquency is cured. Annual assessments shall not be considered delinquent until after the date of the annual meeting for the fiscal year for which they are billed.*

Article Seventh adopted June 14, 1997, by a vote of the members at the annual meeting of the members of Crystal Lakes Road and Recreation Association, Inc.

10-16-04

**BYLAWS
of
CRYSTAL LAKES
ROAD AND RECREATION ASSOCIATION**

**ARTICLE I
NAME**

The name of the corporation shall be CRYSTAL LAKES ROAD AND RECREATION ASSOCIATION hereafter also referred to as “the Association”.

**ARTICLE II
OBJECTIVES**

The purpose for which the non-profit Association is formed is to promote the health, civic and general welfare of its members and in pursuance thereto, to construct, own and operate roads, buildings, recreational and other facilities, together with such incidental objects as are appropriate in the conduct of its activities in the County of Larimer and State of Colorado, for the use of its members, their families, and such others as are approved by the Board.

**ARTICLE III
GOVERNMENT**

SECTION 1. MANAGEMENT. The Association shall be managed by a Board of seven (7) directors, each of whom must be a member in good standing of the Crystal Lakes Road & Recreation Association.

SECTION 2. TERMS OF DIRECTORS. The membership shall elect Directors from among themselves by written ballot, for terms of three (3) years, to fill vacancies of those Directors whose terms of office have expired. If there are an equal number of candidates or less, running for election as the number of Director vacancies to be filled, the Board shall appoint the candidate(s) to fill the vacant Director position(s). Said Directors shall hold office until their successors are elected and qualified.

**ARTICLE IV
BOARD OF DIRECTORS**

SECTION 1. DUTIES. Consistent with these bylaws, the Board of Directors shall:

- a. Transact all Association business, and make and amend rules for the regulation of the use of the Association’s property. It may appoint and remove such non-elected officers, clerks, agents, servants or employees as it may deem necessary, and may fix their duties and compensations.

- b. Fix, impose and collect penalties for violations of these bylaws, rules, and covenants of the Association.
- c. Elect from the Board, a President, Vice President, Secretary, and a Treasurer.
- d. Create, if necessary, the office of Assistant Treasurer and others deemed necessary, and appoint one or more persons, who need not be members of the Association, to such office.
- e. Constitute and appoint committees and define the powers and duties of same.
- f. Fill any vacancy in the membership of the Board from among the members to serve until the next election of directors.
- g. Assess annual membership dues which shall not be changed without a majority vote of the members present "in person or by proxy" and voting at an annual or special meeting, or voting by written ballot, in accordance with CRS 7-127-109, which dues, together with other funds of the Association, may be disbursed in such manner as the Board deems proper and in accordance with these bylaws.
- h. Establish any rules and regulations necessary to promote the health, civic and general welfare of the membership.

SECTION 2. DEPOSITORY. The Board shall designate the bank or banks in which the funds of the Association shall be deposited and determine the manner in which checks, drafts and other instruments for the payment of funds of the Association shall be executed. The Board shall require one (1) signature from a Board member or the manager on checks up to and including two thousand dollars (\$2,000.00) and two (2) signatures from Board members or the manager on checks exceeding two thousand dollars (\$2,000.00). As to signatures by members of the Board, the Association's Treasurer is the preferred second signer; however, if the Treasurer is not available, any Board member may be the second signer. Outgoing Board members shall not be able to sign checks after the election. Incoming Board member names shall be added to bank signature cards by the July Board meeting following the election. The Treasurer or other Board member shall review the Association's check register no less than quarterly, and preferably monthly, to verify conformance to the policy, and to verify all check numbers are accounted for. Also, this Board member will check invoices against checks issued on a random basis.

SECTION 3. ANNUAL AUDIT. The Board shall cause the books of the Association to be audited annually by an auditor selected by the Directors, who, unless said audit is conducted by a certified public accountant, shall not be a member of the Association. The prepared report shall be available to members of the Association.

SECTION 4. MEETINGS. The Board shall meet at least semi-annually and may meet at such other times as it may deem necessary. The Board also may meet in executive session to discuss certain topics that are specified in Colorado law.

In an emergency situation the Board may conduct a phone meeting if a legitimate effort is made to contact every Director and the quorum requirement is met. Each Director contacted must cast an affirmative vote for the action to pass. The phone meeting will be followed by a letter from each Director who voted confirming their notification and affirmative vote.

Any Board member who has three (3) absences at regular Road and Recreation Board meetings in a fiscal year shall be deemed to have automatically resigned. The Board may review this automatic resignation.

SECTION 5. REQUIREMENTS FOR BOARD APPROVAL. All motions or resolutions of the Board which will be considered to be in effect, must be approved by a majority of the Directors present and voting once a quorum is established. The President may vote on any issue whether or not the vote is needed to make a difference. All Directors present, other than the President, must vote on each issue unless a conflict of interest is shown. The Board will determine if there is such a conflict and whether disclosure or abstention is the proper action.

SECTION 6. QUORUM. A majority of the Board shall constitute a quorum.

SECTION 7. BOARD MEETINGS. (a.) The Board shall hold its first meeting following the annual meeting of the members each year within 45 days after the annual meeting.

(b.) The Board may, by resolution, establish from time to time a schedule of its meetings and rules for the conduct thereof.

(c.) The President, his/her designee, or a majority of the Board may call a Special meeting of the Board when deemed necessary. Notice of Special Meetings of the Board shall be given by written or verbal notice to all members of the Board at least three (3) days prior to the date of the meeting. The three (3) day requirement may be waived with the approval of the Board members when they are notified.

(d.) The Board shall annually establish and publish a schedule of anticipated dates and times for regular Road and Recreation Board meetings

SECTION 8. REMOVAL OR RESIGNATION. Any member of the Board may be removed from office by a three-fourths (3/4) majority vote of the members present in person or "by proxy" either at an annual meeting or a special meeting called in accordance with these bylaws or voting in compliance with the requirements of action by written ballot.

In the event that any member of the Board shall permit his/her membership to lapse or shall resign, said Director shall automatically be removed from the Board. The Board shall appoint a member of the Association to serve until the next annual election of directors.

ARTICLE V **BOARD OFFICERS**

SECTION 1. OFFICERS. The officers of this Association shall be President, Vice President, Secretary, and Treasurer. If deemed necessary by the Board, an Assistant Secretary and Assistant Treasurer may be appointed. The President, Vice President, Treasurer, and Secretary shall be elected annually by the Board from among its members and shall hold office until the end of the first meeting of the Board following the next annual meeting of the Association. The Assistant Secretary and Assistant Treasurer shall be appointed by the Board and hold office at its pleasure.

SECTION 2. DUTIES OF PRESIDENT. The President shall preside at the meetings of the Association and of the Board. He/she shall be the administrative officer of the Association. He/she shall appoint, subject to confirmation by the Board, all standing and special committees, designating the chairperson thereof. He/she shall be an exofficio member of all committees.

SECTION 3. DUTIES OF VICE PRESIDENT. The Vice President, in the absence of or disability of the President, shall act in his/her stead. He/she shall be an exofficio member of all other committees.

SECTION 4. DUTIES OF SECRETARY. The Secretary shall ensure that the notices of the meetings of the Association are sent, that minutes are kept, and that corporate records are maintained. The Secretary shall attend to correspondence pertaining to the office as may be required by the Board, and sign the minutes of the meeting after approval by the Board.

SECTION 5. DUTIES OF THE TREASURER. The Treasurer shall ensure that the books of accounts of the Association are maintained; notices of dues payable are issued and dues are collected; funds of the Association are deposited in the name of the Association and disbursed at the direction of the Board. He/she shall be a member of the Finance Committee and shall act as liaison between the Board and the Finance Committee, and shall report on the financial condition of the Association at the regular meetings of the Board and at the annual or special meetings of the Association. The Treasurer, President and Board Members executing checks shall be bonded.

SECTION 6. DUTIES OF THE ASSISTANT SECRETARY/ASSISTANT TREASURER. The Assistant Secretary and Assistant Treasurer shall perform such duties as may be assigned to them by the Secretary or Treasurer, respectively, or by the Board.

ARTICLE VI

MEMBERS AND GUESTS

SECTION 1. MEMBER AND MEMBERSHIP DEFINED.

(a.) Each person or entity who is a record owner of a fee or undivided interest in any lot in Crystal Lakes subdivision shall be a member of the Association and entitled to one vote per membership unit as hereinafter defined.

(b.) In the event that any lot is owned by two (2) or more persons or entities, whether in joint tenancy, tenancy in common, or otherwise, said ownership shall constitute one membership unit - also referred to as a "membership". In the case of ownership by association, partnership, corporation, or other entity, said entity must designate to the Association Secretary in writing up to two (2) individuals to act as a membership unit on its behalf.

(c.) Fishing privileges shall be extended to members upon such terms and conditions as are established by the Crystal Lakes Road and Recreation Board of Directors from time to time.

SECTION 2. ACTS OF MEMBERSHIP. Any legal owner may act for and bind, or obligate, that membership in regard to its rights, obligations and duties.

SECTION 3. REQUIREMENTS OF MEMBERSHIP. In order to become and maintain a membership in the Association, a member representing said membership shall own land or interests in land in the subdivision known as Crystal Lakes Subdivision, and shall pay all annual dues and assessments.

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SECTION 4. REFUND OF MEMBERSHIP ASSESSMENTS: No membership Assessment shall ever be refundable.

SECTION 5. TRANSFER FEES. Upon the sale of a lot the Directors may charge a transfer fee not to exceed \$150.00 per transfer.

SECTION 6. USE OF THE FACILITIES OF THE ASSOCIATION. All members of the Association shall be accorded the equal use of the facilities of the Association subject to the Association rules and regulations, which shall be posted on the premises and available to all members. User fees for any recreational facility, or water or sewer user fees, may be levied and charged in an equitable manner at the discretion of the Board.

SECTION 7. GUESTS. Each member shall be allowed the number of guests as specified by the Board and under the terms and provisions of the rules promulgated by the Board.

The Board shall, by rules, fix the term and conditions upon which guests may use facilities of the Association.

Guest fees and privileges shall be determined by the Board.

SECTION 8. GUESTS OF THE ASSOCIATION. The Board, at its discretion, may extend the privileges of the Association to any person or persons upon such terms and conditions as the Board deems proper.

ARTICLE VII
DUES, ASSESSMENTS AND FEES

SECTION 1. DEFINITIONS.

(a.) Annual Membership Dues: Charged uniformly to all members of a particular class.

(b.) Fees: Paid by memberships for specific services.

(c.) Assessments: General term to include obligations and other charges made upon the membership by the Association.

SECTION 2. ASSESSMENTS. Each year prior to billing the Board shall establish, subject to the provisions of Article IV, Section 1. g., annual membership dues and/or other assessments, some of which may have been determined by written ballot in accordance with CRS 7-127-109, for each class of membership for the next fiscal year. Only persons whose accounts are current shall be entitled to use any of the Association's facilities or services. Assessments shall be sufficient to provide for the necessary operating expenses of the Association, and the maintenance and improvement of its property. Such assessments shall be considered to be due on June 1st of each fiscal year for which they are billed. The annual billing will be sent out to the membership between June 1st and 5th, due upon receipt and delinquent July 1st of each year. Interest of 18% A.P.R., with a \$20.00 per month minimum, is charged on all past due accounts. On or after November 1st of each year a \$70.00 late fee will be applied to all past due accounts. When an account is sent to an attorney for collection a minimum charge of \$100.00 will be applied. Other collections costs will be applied as incurred. Crystal Lakes Road and Recreation Association, its employees, agents and assigns do not accept restrictive endorsements of any kind on order paper as payment. No assessments or part thereof shall be refunded in the event that any of the operations of facilities are suspended for any period.

SECTION 3. DELINQUENCIES. In the event that any of the members become delinquent in the payment of annual membership dues and/or assessments, the Board may:

(a.) Sue for said delinquencies in a court of competent jurisdiction and impose a lien upon the member's property, and/or

(b.) Suspend all privileges, including road use privileges, other than that guaranteed the member under Colorado law.

SECTION 4. LIABILITIES. Members shall be responsible for the payment of all charges and liabilities that may be imposed or incurred by members of their families to whom privileges have been extended.

SECTION 5. TAXES. All membership fees and other charges mentioned herein are exclusive of any excise or other taxes.

ARTICLE VIII **MEMBERSHIP MEETINGS**

SECTION 1. ANNUAL MEETINGS. (a.) The annual meeting of the Association shall be held the second Saturday of June of each year at such place and time as the Board may determine. (b.) The annual meeting shall be for the purpose of presenting committee reports, and for the transaction of other business as may be indicated in the notice or which may be properly brought before it.

SECTION 2. SPECIAL MEETINGS. Special meetings of the Association may be called by the Board or upon written request of 30 memberships given to the Association Secretary stating the purpose thereof. Said meeting shall be held no sooner than 30 days after written notice has been given to the memberships and not more than 75 days after the written request was received by the Association Secretary.

SECTION 3. NOTICE. Whenever notice to the membership shall be required by these bylaws, the Articles of Incorporation or otherwise, said notice shall be determined properly given and adequate when it is addressed to the membership at the address which appears in the records of the Association, and is deposited in the United States mail, postage prepaid. Notice to any member of a membership shall constitute notice to the entire membership. Each membership shall be responsible to provide the Association with its correct address.

SECTION 4. VOTING AT MEETINGS. Only memberships who pay full membership dues and whose annual membership dues (and interest if applicable) are not delinquent shall be entitled to vote at meetings of the Association or by written ballot. Each membership shall be entitled to only one (1) vote. That vote may be exercised by any member of the membership unit. Provided, however, that in the event the issue to be decided is voted by the memberships by separate filings, such as the extension of covenants of a particular filing, or the amendment of covenants, then, so long as the membership owning more than one lot has paid its membership dues in full, that membership shall be entitled to one (1) vote for each lot owned. It shall be the responsibility of the membership voting unit to confirm that their annual membership dues are paid. Proxy voting at meetings shall be allowed under the terms and provisions of the rules promulgated by the Board. Voting at meetings may be by voice, but 10 members shall have the right to demand a roll call vote.

SECTION 5. ACTION BY WRITTEN BALLOT. Any action that may be taken at any annual or special meeting of the Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot. All solicitations for votes by written ballot shall indicate the number of responses to meet the quorum requirements, state the percentage of approvals necessary to approve each matter other than election of directors, specify the time by which a ballot must be received by the Association in order to be counted, and be accompanied by written information sufficient to permit each Member casting such ballot to reach an informed decision on the matter. A written ballot may not be revoked. Action taken under this Section has the same effect as action taken at a meeting of Members and may be described as such in any document.

SECTION 6. ELECTION OF DIRECTORS. An election to fill positions on the Board of Directors shall be conducted pursuant to written ballot unless there are not more candidates running for election than the number of vacant positions to be filled, in which case the Board shall appoint the candidate(s) to fill the vacant director position(s). The following procedures shall apply to conduct of the election of Directors and to the election of any other Association elected officer:

- a. Voting shall be by written ballot only, except as set forth above.
- b. Election to fill each vacant or open position will be conducted on one ballot. When more than one (1) position is to be filled, the number of candidates equal to the number of vacancies, having the most votes will be elected. If positions with different terms are filled, the candidate(s) with the highest number of votes will choose which position he or she desires to fill.
- c. All ballots submitted, excluding blank ballots, will be counted, including write-ins. A blank ballot is defined as one which does not contain the name of a member in good standing who is eligible to serve as a Director.
- d. Candidates may voluntarily withdraw their names from the election at any time.

SECTION 7. QUORUM. Fifty memberships, in good standing, present in person or by proxy, shall constitute a quorum at all Association meetings and for the purposes of complying with Sections 5 and 6 above.

SECTION 8. REQUIREMENTS FOR MEMBERSHIP APPROVAL. Unless a greater percentage is required by other sections in these Bylaws, it shall require at least a majority vote of approval of those voting by written ballot for the memberships to pass any motion.

SECTION 9. RULES OF PROCEDURE. The conduct of all meetings shall be in accordance with the Provisions of Colorado Law, these Bylaws, the Association's Articles of Incorporation, and Robert's Rules of Order, newly revised, only when Robert's Rules of Order do not conflict with the provisions of the Law or the other documents.

ARTICLE IX
NOMINATIONS OF MEMBER OF THE BOARD OF DIRECTORS

SECTION 1. NOMINATING COMMITTEE. A nominating committee of at least three (3) members selected by the Board shall submit a list of at least one (1) nominee in good standing per vacancy. The submission of such candidates and the names of any other candidates in good standing wishing to stand for election shall be published on the written ballot.

ARTICLE X
COMMITTEES

SECTION 1. COMMITTEES. All committees now have a written and approved charter. The Board shall establish ad hoc committees as it deems necessary and appropriate, and appoint members accordingly.

SECTION 2. EXISTING COMMITTEES. Existing committees are: Architectural Control Committee, Finance, Greenbelt Management, Policy/Documents, Nominating, Recreation, Road, Fishing Board, Newsletter, and Security.

ARTICLE XI
MISCELLANEOUS

SECTION 1. INDEMNIFICATION OF OFFICERS. (a.) Each person who acts as a Director or officer of the Association, or any agent of the Association given privileges by the Board, shall be indemnified by the Association against expenses actually and necessarily incurred by him/her in connection with the defense of any action, suit or proceeding in which he/she is made a party by reason of his/her being or having been a Director or officer of the Association, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of his/her duties.

(b.) The right of indemnification provided herein shall ensure to each Director or officer or other person referred to in (a) whether or not he/she is a Director or officer at the time such costs or expenses are imposed or incurred, and in the event of his/her death shall extend to his/her legal representatives.

SECTION 2. INTERPRETATION. Any question as to the meaning or proper interpretation of any provisions of these bylaws shall be determined by the Board.

SECTION 3. AMENDMENTS. These bylaws may be amended by a two-thirds (2/3) vote of the members present in person "or by proxy" at any meeting of the Association providing at least ten (10) days notice of such proposed amendment or amendments shall have been given to each member. These bylaws may also be amended by two-thirds (2/3) vote of the total membership of the Board.

4-15-00

I, the undersigned, attest these to be a true copy of the Code of Bylaws of The Crystal Lakes Road and Recreation Association as amended by motions approved by greater than a two-thirds (2/3) majority of the Association's Board of Directors on July 19, 2004.

Alice Kelly
Secretary

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