

# **By-Laws of The Norris Shores Property Owners Association, Inc.**

Revisions applied as of **July 7, 2023**

## **ARTICLE I**

### **Definitions**

The following terms, as used in these By-Laws, are defined as follows:

- (a) "Association" means the Norris Shores Property Owners Association, Inc., a Tennessee Non-Profit Corporation.
- (b) "Board" means the Board of Trustees & Officers of the Association. (c) "By-Laws" means the By-Laws of the Association.
- (d) "Common Areas" means any property from time to time owned or controlled by the Association.
- (e) "Declaration" means the Declaration of Reservations and Restrictions of Norris Shores on Norris Lake.
- (f) "Developer" means Patten Corporation of Tennessee and its successors.
- (g) "Development" means Norris Shores on Norris Lake, a residential community, as the same may be shown on maps thereof recorded from time to time.
- (h) "Lot" means any lot in the Development included from time to time within the definition of residential lot.
- (i) "Owner" means any person or legal entity holding fee title to a Lot or an undivided interest in fee title to a lot.

## **ARTICLE II**

### **Association Membership**

**Section 1. Classes of Membership.** There shall be members and associate members.

**Section 2. Members.** Each Owner shall, by reason of ownership, become a member of the association. There shall be one voting member for each Lot regardless of the number of persons who may have any ownership interest in such Lot, or the manner in which title is held by them and regardless of the number of Lots in which any person may have an ownership interest. If more than one person shall have an ownership interest in any Lot, the voting member shall be designated in writing at the request of the Association.

**Section 3. Associate Members.** If not otherwise a member, each of the following shall be entitled to associate membership in the Association:

- (a) The spouse and/or children of a member who have the same principal residence as the member. Associate members shall have no vote or right to notice of any regular or special meeting of members. The privileges and duties of associate members shall be established from time to time by the Board by resolution. The privileges and duties of associate members need not be the same as those of members.

**Section 4. Privileges of Membership.** Members and associate members shall have a license to use the Common Areas subject to the provisions of the Declaration and subject to such other rules and regulations as may be established by the Board.

**Section 5. Suspension of Privileges of Membership.** By certified mail, the Board may suspend the voting privileges of any member and suspend use of the common areas by the member and/or associate members for:

- (a) Any period during which any Association charge on such member's lot provisions of the Declaration after the existence thereof shall remain unpaid; or
- (b) The period of any continuing violation by such member or associate member of the provisions of the Declaration after the existence thereof shall have been declared by the Board; or
- (c) A period to be determined by the Board for violations of the By-Laws or the rules and regulations of the Association.

### **ARTICLE III**

#### **Transfer of Membership**

When a member ceases to be an Owner, such person's membership, and those associate memberships existing through relationships to such person, shall cease, but such person shall remain liable for all Association charges incurred prior to the giving of written notice to the Association that such person is no longer an Owner.

### **ARTICLE IV**

#### **General Membership Meetings**

**Section 1. Place of Meetings.** Any meeting of the members of the Association shall be held in the State of Tennessee at such place therein as may be stated in the notice of such meeting.

**Section 2. Annual Meeting.** The annual meeting of the Association shall normally be held on the first Saturday of October of each year, commencing with the year 1994 and each subsequent year. In any case that the meeting date has to change, the board shall, at a minimum, communicate such change sixty (60) days prior to the normally scheduled date.

**Section 3. Special Meetings of the Association.** A special meeting may be called by the Board at any time in the manner herein provided. A special meeting may also be called upon the written petition of twenty percent (20%) of the members of the Association who have the right to vote at such meeting. Such petition shall set forth the purpose of the special meeting. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

**Section 4. Notice of Meetings of the Association.** Written notice of the place, date, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Such notice will be posted to the NSPOA webpage and shall be delivered electronically to the members email address as it appears on the records of the Association, not less than thirty (30) days nor more than forty (40) days before the date of the meeting, to each member entitled to vote at such meeting-

**Section 5. Quorum.** A quorum at either a special meeting or the annual meeting shall be at least ten percent (10%) of the total number of lots (approximately 417) entitled to vote at such meeting in person or by written proxy authority that has been verified by the Board. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law or the Norris Shores Reservations & Restrictions.

### **ARTICLE V**

#### **The Trustees**

**Section 1. Powers** The Board shall:

- (a) Manage and control the affairs of the Association.
- (b) Association's funds; and the Officer or Officers authorized to make withdrawals there from and to execute specific obligations on behalf of the Association.
- (c) Perform other acts, the authority for which has been granted herein or by law, including the borrowing of money for Association purposes. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper purpose. The Board may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any Association property as security for such borrowings, and they may pledge or assign future revenues of the Association as security thereto.
- (d) The Board shall adopt reasonable rules of order for the conduct of the meetings of the Association, and with reference thereto, on procedural questions upon which no rules have been adopted, the ruling of the Chairman of the meeting shall be final.
- (e) The Board shall, prior to the annual meeting of the Association in each year, adopt an operating budget to be approved electronically by the membership prior to the annual meeting and reviewed at the meeting or presented for approval at the annual meeting. Upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy the annual assessment for each Lot for the following year. Upon the adoption and approval of the budget, the Board shall be bound by the same and shall not exceed there from by more than fifteen percent (15%) of the total amount thereof without having called a special meeting of the Association to approve variations. The budget shall be adopted only after the members of the Association have had a reasonable opportunity to review the same and to comment thereon, either at hearings held thereon or through such other means as the Board may direct.
- (f) The Board has adopted these remedies for continued Restriction violations, violations of but are not limited to: suspension of member privileges, court injunctions to stop construction, financial fines, placement of liens, and other court procedures.

**Section 2. Number of Trustees.** The number of Trustees shall be six (6). Trustees must be a member or associate member. There shall not be two trustees from a single household, regardless of the number of lots owned.

**Section 3. Trustees shall serve for a term of two (2) years.** They shall be staggered so that three are elected each year.

**Section 4. Election & Voting**

- (a) Other than a show of hands at any annual and/or special membership meeting, all voting and elections will be determined by electronic means and each member entitled to vote shall be entitled to as many votes as equal to the number of lots represented by the member who may cast all of such votes for a single candidate or distribute the votes among the candidates up for election as he/she fit. Election of Trustees and Officers shall be announced at the annual membership meeting and the candidates receiving the largest number of votes shall be elected.
- (b) Any member in good standing may file with the Secretary of the Association, by June 30th, a statement of his or her candidacy for election as an Officer or Trustee of the Association for the term beginning immediately following the filing of such statement. The Secretary of the Association shall cause notice of each candidacy and may include a brief biographical statement of each candidate in the notice of such annual meeting.
- (c) Electronic ballots for Trustees and Officers of the Board shall:

(1) describe the vacancy to be filled; set forth the names and biographical statements of those persons who have become candidates. Ballots will be prepared within 30 days of June 30<sup>th</sup> and sent electronically by the Secretary of the association along with the notice of the annual meeting of the Association.

- (d) Each member in good standing and entitled to vote shall receive an electronic ballot.
- (e) The completed ballots shall be returned by electronic means ( in accordance with the instructions provided) name of the member, Lot number(s) and such other information as the Board may determine will serve to establish his/her right to cast the vote or votes presented in the ballot or ballots contained therein. Electronic ballots shall be returned no later than ten (10) days prior to the annual meeting as instructed within the voting package.
- (f) Upon receipt of each returned ballot, it shall automatically go into a password-protected file until the day fixed by the Board for the counting of such ballots. On that day, the file containing the ballots shall be opened by the Secretary and two (2) other members appointed by the President collectively. ( The Election Committee) The Election Committee shall then follow a procedure, which shall include establishing that each voting member is in good standing. The Election Committee shall proceed with the opening of the electronic file containing the election results and keep the vote tally until the day of the annual meeting. After certifying the results, the Election Committee will turn over the count to the presiding officer of the annual meeting, who will announce the winners. Actual vote counts may be disclosed to only the election committee members and the presiding officer of the meeting. Handling of the envelopes and ballots shall be done in such a manner as to ensure the privacy of the vote.
- (g) Annual Election Procedure Notes;
  - 1. If the number of vacancies is equal to the number of candidates for either Trustee or Officer positions, no election is required, and those positions will be filled with those candidates as long as they are supported by the Board.
  - 2. If the number of nominated candidates is insufficient to fill all remaining open positions for the vacancies of Trustees and officers, the presiding officer at the meeting shall open the nominating process for any open position. Election for persons nominated in this manner shall be by a count of hands of those members present.
- (h) All electronic files containing ballots and statements of candidacy shall be retained by the Secretary for a period of one (1) year.

**Section 5. Removal of Trustees.** Any Trustee may be removed by unanimous vote of the remaining Board Members when, in their judgment, the best interests of the Association will be served by such removal.

**Section 6. Meetings of the Board.** The Board shall meet at least quarterly and shall be held at such a place as the notice of such meeting shall designate. Notice of time and place of meetings shall be posted on the NSPOA website. Emergency meetings of the Board may be called by the President or any member of the Board and shall be held at such place as the call or the notice of the meeting designates. Notice of an emergency meeting may be given electronically or orally at least twenty-four (24) hours prior to the date and time of the meeting. There is no obligation to make a general membership notification of emergency meetings.

Meetings will be open to all members unless it is specifically designated as an “executive” meeting. An executive meeting is defined as a meeting where only the Board will be in attendance.

**Section 7. Action Without Meetings.** Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting provided such meeting is authorized by a quorum of the Board who would be entitled to vote upon said action at a meeting. The action taken shall be recorded by the Secretary of the Association.

**Section 8. Quorum.** A majority of the Board members shall constitute a quorum to transact business of the Board, and the act of the majority of the Board shall be deemed to be the act of the Board. These By-Laws recognized that, with an even number of Board (10), there is a potential to have a tie vote on any motion. There is no procedure set forth here to handle this condition - it is the responsibility of the Board to resolve such issues among themselves.

**Section 9. Vacancies.** (Other than normal expiration of a term.) If any vacancy exists on the Board, such vacancy may be filled by the remaining Trustees, President, and Vice President even though those remaining Trustees, President, and Vice President might be less than a quorum. Any person selected for the purpose of filling a vacancy, whether by appointment or at a general election, shall be a Trustee or Officer until the expiration date of the term held by the person they replaced.

**Section 10. Specific Duties.** The Board shall have the following specific duties:

- (a) Oversight of the activities of the Officers.
- (b) Enforcement of the restrictive covenants.
- (c) Establishment and revision of rules and regulations for the Common Areas, including all leased areas.
- (d) Orientation of new Trustees.
- (e) Make arrangements for and select person(s) to write the newsletter.

## **ARTICLE VI**

### **The Officers**

**Section 1. Officers.** The Officers of the Association shall be the President, one or more Vice-Presidents, the Secretary, the Treasurer, and such other officers and assistant officers as the Board may from time to time elect. Officers shall serve at the will of the Board. Any two (2) or more offices may be held by the same person, except the offices of the President and Secretary. Officers must be members or associate members of the Association. Officers cannot be a Trustee. All Officers shall be bonded, such fees to be paid by the Association for an amount determined by the Board. Officers shall serve for a term of two (2) years. In the election year of 2000, the President shall be elected for two years, the Vice-President one year, the Secretary one year, and Treasurer for two years. In successive years all officers will be elected for two-year terms, with President and Treasurer being elected in even years (2000, 2002, etc.) and with the Vice-President and Secretary being elected in alternate, odd years. The person(s) holding any Office positions may be any member(s) in good standing.

**Section 2. President.** The President shall be the general managerial officer of the Association, except as otherwise determined by the Board, and he/she shall be vested with the powers and duties generally incident to the office of President, except as otherwise determined by the Board, or as may be otherwise set forth in these By-Laws. One individual may hold the office of President for a maximum of two consecutive terms. He/she may become a candidate again after being out of the position for at least one year.

**Section 3. Vice-President.** In the absence of the President, or in the event of his/her inability or refusal to act, the Vice-President is empowered to act and shall thereupon be vested with the powers and duties of the President.

**Section 4. Secretary.** The Secretary of the Association shall keep the minutes of all meetings of business and other matters transacted at the meetings of the members and of the Board. He / She shall conduct all electronic notices required under the By-Laws, have the custody of the minutes of meetings and records, manage all Clubhouse rental activity, and perform all other duties incident to the office of the Secretary.

**Section 5. Treasurer.** The Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its funds, maintain a list of the members and their addresses, and perform such other duties as are incident to the office of Treasurer. Obligations of the organization are defined in the annual budget. Any monies to be paid in excess of this budget shall be approved by the Board. Disbursements over "One Thousand" dollars (\$1000.00) require signatures of two (2) Officers.

**Section 6. Specific Duties.** The Officers shall have the following specific duties:

- (a) Oversee the maintenance of leased property, subdivision entrance area (Norris Shores sign area), the Common Areas (parking area, ramp, walkway), and docks.
- (b) Collect the annual assessment fee.
- (c) Assess, rent, and collect the fees for any asset of NSPOA.
- (d) Maintain electric service to the marina area.
- (e) Make payments for liability insurance for the Common Areas and docks.
- (f) Make payments for the annual rental fee to the Tennessee Valley Authority, (g) Create committees as needed to perform specific functions on behalf of the Association. These committees and their functions are listed in Appendix A. Appendix A may be amended from time to time without amending the By-Laws.
- (h) Orient new officers.
- (i) Other duties as needed to ensure functionality of the association.

**Section 7. Election of Officers.** Election of Officers shall follow the same format as election of Trustees, the exception being the person receiving the largest number of votes for each office shall be elected.

**Section 8. Removal of Officers.** Any Officer may be removed by a unanimous vote of the Board (other than the subject Officer) when, in their judgment, the best interests of the Association will be served by such removal.

**Section 9. Vacancies.** (Other than normal expiration of a term.) If any officer vacancy exists, the Trustees, President, and Vice President may fill such vacancy. Any person elected for the purpose of filling a vacancy, whether by appointment by the Trustees or at a general election, shall fill that position until the expiration date of the term held by the person they replaced.

## **ARTICLE VII**

### **Duties of Members**

**Section 1. Payment of Assessments.** The charges or assessments levied by the Association as provided in Article V, Section 1(e), shall be paid to the Association on or before April 1. Electronic notice of the charge and the due date of payment shall be sent to each Owner at the email address last given by such Owner to the Association. If any charge levied against any Lot shall not be paid when due, it shall become a lien upon said Lot, subject only to matters of record on such due date and shall remain a lien until paid in full. The Board may bring such actions as it shall determine appropriate at law or in equity, by way of foreclosure of such lien or otherwise, to collect to the amount of said charge, including interest, costs of collection and attorneys' fees.

The sale or transfer of any Lot shall not affect any lien for charges provided for herein. Upon request, the Association shall furnish a statement certifying that the charges against a specified Lot have been paid or that certain charges remain unpaid, as the case may be.

**Section 2. Electronic Communications.** It is the sole responsibility of each member to ensure their contact information is up-to-date and current with the Association. Members are responsible for reviewing their contact information on the NSPOA webpage and contacting the association with any updates as they occur.

## **ARTICLE VIII**

### **Amendments**

These By-Laws may be amended by a majority vote of the Board.

## ARTICLE IX

### Indemnity

Unless the Board otherwise specifically acts not to do so, the Association shall hold harmless and indemnify Officers and Trustees, whether or not then in office, and their respective executors, administrators and heirs, from and against any and all claims, demands, expenses (including attorneys' fees), judgments, fines, amounts paid in settlement, and any other costs with respect to any threat, suit or proceeding, whether civil or criminal, arising with respect to such person's previous, present or future service as an Officer or Trustee of the Association to the maximum extent permitted by law. However, the Board, by resolution expressly so providing, may exclude any Officer or Trustee from any or all of the benefits of the preceding sentence. In addition, the Board may authorize or direct the Association to hold harmless and indemnify such Officers, Trustees, employees, or agents of the Association or of other Associations, partnerships, joint ventures, or enterprises as the Board deems appropriate.

Further, those persons who serve without compensation (in money or property) as Officers or Trustees, or both, of the Association shall not have any personal liability for monetary damages to the Association or to the members of the Association for breach of fiduciary as a Trustee or as an Officer except as follows:

- (a) For any breach of the Trustee's duty of loyalty to the Association or to its members; and
- (b) For distributions in violation of Tennessee Code Annotated 48-58-304 provided, however, that nothing herein shall abridge or infringe the right, if any, of such Trustee to Contribution as permitted by law.

The foregoing By-Laws were adopted by the Trustees of the Norris Shores Property Owners Association, Inc., this 7th day of July.

Larry Beaulieu – President

Scott Gregory – Vice President

Tom Schladt – Treasurer

Missy Lewis – Secretary

Trustees - Steve Cox, John Hester, Dawn Protzer, Dave Skorny, Margie Warnecke, Brett Pursel

### NSPOA Schedule of Fines

Article of Restriction	Fine Dollar Amount Range / Per Day	Notes
Article 1	N/A	
Article 2: Residential and Area Use	\$75.00 -\$125.00	
Article 2, "A" (1, 2, & 3)	\$50.00 - \$100.00	
Article 2, "B"	\$50.00 - \$100.00	
Article 2, "C" (1 & 2)	\$125.00 -\$300.00	The fine should be more than normal camping fees
Article 2, "E"	\$50.00 - \$75,00	
Article 2, "F"	\$300.00 - \$1000.00	In every case of renting, the fine should always be more than the rental fee
Article 2, "G"	\$300.00 - \$1000.00	In every case of renting, the fine should always be more than the rental fee
Article 3, Commercial Use and Nuisances	\$50.00 - \$1000.00	In the case of Nuisance, a \$50.00 fine may be in line, in the case of a business being built a larger fine may be needed to deter
Article 4, Setbacks	\$50.00 -\$100.00	
Article 5, Sewage	\$50.00 -\$100.00	
Article 6, Maintenance	\$50.00 -\$100.00	
Article 7, Advertising	\$50.00 -\$100.00	
Article 8, Agriculture	\$50.00 -\$100.00	
Article 9, Subdivision of lots	\$100.00 -\$900.00	
Article 10, Easements	\$50.00 -\$100.00	
Article 11, Culverts	\$50.00 - \$75,00	
Article 12	N/A	