

## **BYLAWS OF CORAL LAKES ASSOCIATION. INC.**

### **Section 1. Identification**

**These are the Bylaws of CORAL LAKES ASSOCIATION, INC. ("Bylaws"), a corporation not for profit, organized pursuant to Chapter 617, Florida Statutes (hereinafter referred to as the "Corporation"). The Corporation has been organized for the purpose of owning, operating and administering the "Corporation Property" at Coral Lakes," as those terms are defined in the Articles of Incorporation of the Corporation ("Articles").**

**1.1 The office of the Corporation shall be for the present at 1690 South Congress Avenue, Delray Beach, Florida 33445 and, thereafter, may be located at any place in Broward, Dade or Palm Beach County, Florida, designated by the Board of Directors of the Corporation ("Board").**

**1.2 The fiscal year of the Corporation shall be the calendar year.**

**1.3 The seal of the Corporation shall bear the name "Coral Lakes Association, Inc.," the word "Florida" and the words "Corporation Not For Profit."**

### **Section 2. Explanation of Terminology**

**The terms defined in the Articles as well as in the Declaration of Protective Covenants and Restrictions for Coral Lakes are incorporated herein by reference.**

### **Section 3. Membership; Members' Meetings; Voting**

**3.1 The qualification of members, the manner of their admission to membership and the termination of such membership shall be as set forth in the Articles.**

**3.2 Since the Owners as Members have limited voting rights as described in the Articles and all of the actions and decisions of the Corporation are made by the Board, there shall be no meeting of Members; except that meetings of Association Members shall be one and the same as meetings of the Board.**

**3.3 Each Association Member has the right to select Directors as provided in the Articles and pursuant to the methods set forth in their respective Articles of Incorporation, Bylaws or other governing documents. Each Association Member shall advise the Corporation of its selected Directors by notifying the Board, in writing, of its respective selection. In the event the Corporation is not so advised, the incumbent Directors for such Association Member shall continue as Directors until the Corporation is so notified.**

## **Section 4. Board of Directors; Meetings of the Board**

**4.1(a) Except for the First Board, the Board shall consist of the persons selected by the Association Members and Developer in accordance with the Articles and the Articles of Incorporation, Bylaws and other governing documents of each Association, and, when applicable, the President as noted in Section 4.1b (As Amended 8/18/05)**

**(b). In the event that the President is not a Director of Coral Lakes Association, Inc. as selected by one of the Association Members, that person shall become a Director of Coral Lakes Association, Inc. (As Amended 8/19/05)**

**4.2 The selection of Directors shall be conducted in the following manner;**

**(a) In accordance with the provisions of the Articles; and**

**(b) Vacancies on the Board shall be filled until the next annual Board meeting in the following manner; (i) a vacancy created by an Association Member-appointed Director shall be filled by a person selected by such Association; and (ii) a vacancy created by a Developer-appointed Director shall be filled by a person designated by Developer. The fact that a**

**vacancy exists on the Board shall not prevent the Board from meeting and acting.**

**4.3 The term of each Director's service shall extend until the next annual Board meeting and thereafter until his successor is duly selected and qualified or until he is removed in the manner elsewhere provided.**

**4.4 The organizational meeting of a newly selected Board shall be the annual meeting of the Board; however, so long as Developer is entitled to appoint a majority of the Directors of the Corporation, no annual meetings will be required and any action required by the Board may be taken by written consent. The organizational and annual meeting of the Board shall be held at such time and place as shall be determined by the Board. Such meeting shall be held at the office of the Corporation or at such other place and time as shall be fixed by the Directors at the preceding meeting or by subsequent notice, and no further notice of the organizational and annual meeting shall be necessary, providing a quorum shall be present.**

**4.5 Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting unless such notice is waived.**

**4.6 Special meetings of the Board may be called by the President or the Vice President and must be called by the Secretary at the written request of one-quarter (1/4) of the Directors. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.**

**4.7 Any Director may waive notice of the meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.**

**4.8 A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the Board present at a meeting at which a quorum is present shall constitute the acts of the Board. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.**

**4.9 The presiding officer at the Director's meeting shall be the President. In the absence of the**

**presiding officer, the Vice President shall preside. Should there be multiple vice presidents (First, Second, etc) then, in order of their designation (First, Second, etc.) the highest number (that is, First, then Second, etc.) shall preside. Should no Vice Presidents be available at that meeting, then the Directors shall designate any one of their number to preside. (As Amended 8/19/05)**

**4.10 Directors fees, if any, shall be determined by the Association Members.**

**4.11 The Board shall have the power to appoint an Executive Committee of the Board consisting of not less than three (3) Directors. The Executive Committee shall have and exercise such powers of the Board as may be given to it by the resolution of the Board establishing the Executive Committee during the period of time between meetings of the Board and such other powers of the Board as may be delegated to the Executive Committee by the Board from time to time. A quorum at an Executive Committee meeting shall consist of all of its members. The acts of the Executive Committee approved by two (2) of its three (3) members shall constitute the acts of the Executive Committee.**

## **Section 5. Powers and Duties of the Board**

**All of the powers and duties of the Corporation shall be exercised by the Board, including those existing under the Articles. Such powers and duties of the Directors shall include, but not be limited to, the following:**

**5.1 The making and collecting of assessments against Members to defray the costs connected with the Corporation Property and the Corporation;**

**5.2 The use of the proceeds of assessments in the exercise of its powers and duties;**

**5.3 The maintenance, repair, replacement and operation of the Corporation Property and the Corporation;**

**5.4 The reconstruction of improvements after casualty and the further improvement of the Corporation Property;**

**5.5 The making and amending of rules and regulations with respect to the use of the Corporation Property;**

**5.6 The enforcement by legal means of the provisions of the Master Declaration in accordance therewith;**

**5.7 The entering into agreements and contracts for the operation, administration, maintenance and care of the Corporation Property or any portion thereof and the delegation to another person or entity of certain powers and duties of the Corporation with respect thereto;**

**5.8 The payment of taxes and assessments which are liens against any or all of the Corporation Property and the appurtenances thereto, and assessment of the same against the Association Members subject to such liens;**

**5.9 The purchasing and carrying of insurance for the protection of the Corporation Property and the Association Members against casualty and liability;**

**5.10 The payment of the cost of all power, water, sewer and other utility services rendered to the Corporation Property;**

**5.11 The retention and hiring of such other employees as are necessary to administer and carry out the services required for the proper administration of the purposes of the Corporation and the payment of all salaries therefore;**

**5.12 The collection and payment of Operating Expenses including Special Assessments, as provided in the Master Declaration; and**



**5.13 The entering into the Master Declaration and joinder in Community Declarations, Condominium Declarations and easements as provided therein.**

## **Section 6. Officers**

**6.1 Executive officers of the Corporation shall be the President, one or several Vice**

**Presidents a Treasurer, a Secretary and as many Assistant Secretaries and Assistant Treasurers as the Board shall determine, all of whom shall be elected annually by the Board and who may be peremptorily removed by vote of the Directors at any meeting. The Board shall, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Corporation. One person may simultaneously hold two offices, except that the offices of President and Secretary shall be held by separate persons. (As Amended 8/19/05)**

**6.2 The President shall be the chief executive officer of the Corporation. He shall have all of the powers and duties which are usually vested in the office of the President of a**

**corporation, including, but not limited to, the power to appoint committees from among the Owners, from time to time, as he may, in his discretion, determine appropriate, to assist in the conduct of the affairs of the Corporation. He shall preside at all meetings of the Board. The Board shall also have the power to appoint committees to the extent provided in Florida's Corporation Act.**

**6.3 The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President selected by the Board, then they shall be designated "First," "Second," etc. and shall exercise the powers and perform the duties of the presidency in such order.**

**6.4 The Secretary shall keep the minutes of all proceedings of the Directors. He shall have custody of the seal of the Corporation and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Corporation, except those of the Treasurer, and shall perform all of the duties required by the Board or the President. The Assistant Secretary, if any, shall perform all of the duties incident to the office of Secretary when the Secretary is absent and shall assist the Secretary.**

**6.5. The Treasurer shall have custody of all of the monies of the Corporation, including funds, securities and evidence of indebtedness. He shall keep the assessment rolls and accounts of the Members, he shall keep the books of the Corporation in accordance with good accounting practices; and he shall perform all of the duties incident to the officer of Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer and perform the duties of Treasurer, if the Treasurer is absent.**

**6.6 The compensation, if any, of all officers and employees of the Corporation shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Corporation or preclude the contracting with a Director for the management of any portion or all of the Corporation Property.**

## **Section 7. Accounting Records; Fiscal Management**

**7.1 The Corporation shall maintain accounting records according to good accounting practices which shall be open to inspection by Association Members or their authorized representatives at reasonable times. Authorization of a representative of an Association Member must be in writing, signed by an appropriate officer of the Association Member giving the authorization and dated within sixty (60) days of the date of the inspection. Written summaries of the accounting records shall be supplied at least annually to each Association Member.**

**7.2 An assessment roll shall be maintained as shall a set of accounting books in which there shall be an account for each Association Member and Owner. Such an account shall designate the name and address of each Owner, the amount of each assessment against the Owner, the dates on which the assessments come due, the amounts paid upon the account and the balance due upon assessments.**

**7.3(a) On or before December 15th of each year, the Board shall adopt a budget for the forthcoming calendar year which shall contain estimates of the costs of performing the functions of the Corporation, including, but not limited to, the following items:**

**(1) Operating Expenses Budget:**

**(i) Administration**

**(ii) Payroll**

**(iii) Maintenance**

**(iv) Security and Other Services**

**(v) Utilities**

**(vi) Insurance**

**(vii) Supplies**

**(viii) Legal, Accounting and Other Professional Fees (ix)  
Taxes**

**(x) Miscellaneous;**

**(2) Proposed assessments against each Owner;**

**(3) Proposed Special Assessments against each Owner.**

**(b) (1) The Board shall be the sole authority in determining the budget.**

**(As Amended 10/6/05)**

**(2). Any meeting at which a proposed annual budget of the Association will be**

**considered by the Board shall be open to all unit owners. At least 14 days prior to such a meeting, the Board shall publicize, by posting a notice at the clubhouse, a notice of such meeting and a copy of the proposed annual budget. An officer or manager of the Association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with such notice requirement, and such affidavit shall be filed among the official records of the Association. (As Amended 10/6/05)**

**(3) (a). If the Board adopts in any fiscal year an annual budget which requires assessments against unit owners which exceed 115 percent of assessments for the preceding fiscal year, the Board shall convene a special meeting to consider a substitute budget if the Board receives, within 21 days after adoption of the annual budget, a written request**

**for a special meeting from at least 10 percent of all unit owners. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least 14 days prior to such special meeting, the Board shall publicize the meeting by posting a notice of the meeting at the clubhouse. An officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. The Board may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all unit owners. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board shall take effect as scheduled. (As Amended 10/6/05)**

**(b) Any determination of whether assessments exceed 115 percent of assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the common property, anticipated expenses of the association which the board does not expect to be incurred on a regular or annual basis, or assessments for betterments to the common property. (As Amended 10/6/05)**

**(4) Each special assessment shall be limited to \$500.00 per unit, subject to Sec. 7.3(b)(5) (As Amended 10/6/05)**

**(5). If the Board adopts a special assessment that requires an assessment against unit owners which exceed \$500.00, and, if the Board receives, within 21 days after adoption of the special assessment, a written request for a special meeting from at least 10 percent of all unit owners, then the Board shall convene a special meeting to consider a substitute assessment. The special meeting shall be conducted within 60 days after adoption of the special assessment. At least 14 days prior to such special meeting, the Board shall publicize the special meeting by posting a notice of the meeting at the clubhouse. An officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. The Board may consider and adopt a substitute special assessment at the special meeting. A substitute special assessment is adopted if approved by a majority of all unit owners. If there is not a quorum at the special meeting or a substitute special assessment is not adopted, the special assessment previously adopted by the Board shall take effect as scheduled. (As Amended 10/6/05)**

**(c) Copies of the budget and proposed assessments shall be transmitted to each Association Member on or before January 1st of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, then a copy of the amended budget shall be furnished to each Association Member.**

**(d) In administering the finances of the Corporation, the following procedures shall govern; (i) the fiscal year shall be the calendar year; (ii) assessments shall be made quarterly or as determined by the Board; (iii) any income received by the Corporation in any calendar year (including the regular assessments and Special Assessments)**

**may be used by the Corporation to pay expenses incurred in the same calendar year; (iv) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in anyone calendar year for Operating Expenses and Dwelling Unit Expenses, if any, which cover more than a calendar year, for example, insurance, taxes, etc.; and (v) Operating Expenses and Dwelling Unit Expenses, if any, incurred in a calendar year shall be charged against income for the same calendar year, regardless of, when the bill for such expenses is received. . Notwithstanding the foregoing, regular assessments shall be of sufficient magnitude to insure an adequacy of cash availability to meet all budgeted expenses in any calendar year, as such expenses are incurred in accordance with the cash basis method of accounting. The cash basis method of accounting shall conform, as nearly as possible, to generally accepted accounting standards and principles applicable thereto.**

**7.4 The depository of the Corporation shall be such bank or banks as shall be designated from time to time by the Board,**



**and in which the monies of the Corporation shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.**

**7.5 A report of the accounts of the Corporation shall be made annually and a copy of the report shall be furnished to each Association Member no later than the 1st day of April of the year following the year for which the report is made. The report shall be deemed to be furnished to the Association Member upon its delivery or mailing to the Association Member at its last known address shown on the records of the Corporation.**

## **Section 8. Parliamentary Rules**

**Robert's Rules of Order (the then latest edition) shall govern the conduct of the meetings of the Board when not in conflict with the Articles, these Bylaws, the Master Declaration or any Condominium Declaration or Community Declaration.**

## **Section 9. The Corporation to Enter into Agreements**

**9.1 The Corporation shall enter into the Master Declaration with Developer, whereby the Corporation will acquire**

**possessory and use interest in the Corporation Property which is intended for the enjoyment, recreation and other use and benefit of the Owners in Coral Lakes, Club Members, if any, and Sharing Owners, if any,**

**9.2 The Corporation is hereby authorized to enter into Community Declarations and Condominium Declarations as provided in the Master Declaration and is authorized to enter into the other agreements with the Members, Developer or lending institutions to acquire, preserve or affirm possessory or use interest in the Corporation Property and to provide therein that the expenses thereof are Operating Expenses.**

**9.3 The Corporation is hereby authorized to enter into a management agreement or license agreement, and any renewals or amendments thereto, as the Board shall agree upon for professional management of the Corporation Property or any portion thereof in accordance with the Master Declaration.**

## **Section 10. Amendments**

**10.1 These Bylaws may be amended by a majority of the votes of the entire Board; provided, however, that no amendment shall in any way affect the rights of Developer or any Institutional Mortgagee of any portion of the Corporation Property without the prior written consent thereto by**

**Developer or such Institutional Mortgagee, as may be applicable.**

**10.2 Any instrument amending, modifying, repealing or adding Bylaws shall identify the Section or Sections affected and give the exact language of such modification, amendment or addition of the provisions repealed. A copy of each such amendment shall be certified by the Secretary of the Corporation and recorded amongst the Public Records.**

**10.3 In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Master Declaration and these Bylaws, the Master Declaration shall control; and in the event of any conflict between the Articles and the Master Declaration, the Master Declaration shall control.**

**CORAL LAKES ASSOCIATION, INC.**

**By:**

**Attest!**

**(SEAL)**