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BYLAWS  
OF  
THE SHOREHAM BEACH ASSOCIATION, INC.

A corporation not for  
profit under the laws  
of the State of Florida

1. Identity. These are the Bylaws of THE SHOREHAM BEACH ASSOCIATION, INC. herein called Association, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on the 17<sup>th</sup> day of July, 1970. the Association has been organized for the purpose of administering a condominium pursuant to Chapter 711, Florida Statutes 1965, amended July 11, 1981 and substantially amended August 31, 2001 pursuant to Florida Statutes 718.112, The Condominium Act [REDACTED] herein called The Condominium Act, which condominium is located upon a portion of the following lands in Volusia County, Florida:

That portion of fractional Section 2, Township 14 South Range 32 East, Volusia County, Florida, described as follows: Begin at a point in the Easterly line of Ocean Shore Boulevard, an 80 foot street as now laid out, said point being a distance of 50.64 feet Southerly of the intersection of said line with the North line of the South 490 feet of said fractional Section 2; Thence Northerly along the Westerly line of Ocean shore Boulevard, a distance of 300.64 feet to the North line of the South 230.33 feet of the North 490 feet of the South 980 feet of fractional Section 2; Thence East along said line, a distance of 216.5 feet to a point; Thence Northerly and at right angles to last line, a distance of 8.0 feet to a point; Thence East and parallel to the South line of Fractional Section 2, a distance of 100 feet, more or less, to the shore line of the Atlantic Ocean; Thence Southerly along said shore line, a distance of 180 feet, more or less, to a point in a line the is perpendicular to Ocean Shore Boulevard from the Point of Beginning of this description; Thence Westerly along said line a distance of 300 feet, more or less, to the Point of Beginning. Together with riparian and littoral rights appertaining and belonging thereto.

1.1 The office of the Association shall be at 915 Ocean Shore Boulevard, Ormond Beach, Florida

1.2 The fiscal year of the Association shall be the Calendar year.

1.3 The seal of the corporation shall bear the name of the corporation, the word "Florida", the words "Corporation not for Profit" and the year of incorporation, an impression of which is as follows:

(SEAL)

## 2. Members' meetings.

2.1 The annual members' meeting shall be held in the month of January of each year on the first convenient Saturday after New Year's Day and at a time and place to be established by the Board of Directors. The purpose of the annual meeting shall be to elect directors and to transact any other business authorized to be transacted by the members.

2.2 Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third of the votes of the entire membership. A special meeting shall also be called by the Board of Directors upon written application of 10% of the voting interests of the Association regarding (a) a budget in which proposed assessments exceed 115% of the assessments for the preceding year, or (b) a recall of a member or members of the Board.

2.3 Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President(s) or secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty days (60) days prior to the date of the meeting. shall be mailed not less than fourteen (14) days nor more than sixty days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice by an U.S. Postal Certificate. Official Notice of the meeting shall also be posted in a conspicuous spot in the condominium not less than fourteen (14) days prior to the meeting.

2.4 A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the members, except where approval by a greater number of members is required by the Declaration of condominium, the Articles of Incorporation or these bylaws.

## 2.5 VOTING

- (a) In any meeting of members the owners of an apartment shall be entitled to cast one (1) vote, unless the decision to be made is elsewhere required to be by the owner of a stated percentage of the common elements.
- (b) If an apartment is owned by one person his right to vote shall be established by the record title to his apartment. If the apartment is owned by more than one person, or is under lease, the person entitled to cast the vote for the apartment shall be designated by a

certificate signed by all of the record owners of the apartment and filed with the secretary of the Association.

~~2.6 Proxies~~ Votes may be cast in person or by proxy. ~~Proxies may be made by any person entitled to vote and shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.~~

2.6a Proxies Except as specifically otherwise provided herein, unit owners may not vote by general proxy, but may vote by limited proxies conforming to a limited proxy form adopted by the Division of Condominiums. Limited and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves, for votes taken to waive financial statement requirements, for votes taken to amend the declaration, for votes taken to amend the articles of incorporation or bylaws pursuant to this section; or for any other matter which requires or permits a vote of the unit owners. No proxy, limited or general, shall be used in the election of board members. General proxies may be used for other matters for which limited proxies are not required and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. Notwithstanding the provisions of this subparagraph, unit owners may vote in person at unit owner meetings.

Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy is revocable at any time at the pleasure of the unit owner executing it.

2.7 Adjourned meetings If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.8 The order of business at the annual member's meetings and as far as practical at all other member's meetings, shall be:

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading and approval of previous member meeting minutes
- (d) Report of officers
- (e) Reports of committees
- (f) Appointment of election inspectors
- (g) Election of directors
- (h) Unfinished business
- (i) New business
- (j) Adjournment

2.8 Minutes of all meetings shall be kept in a business-like manner and shall be available for inspection by members or their authorized representatives and by board members at all reasonable times. The association shall retain these minutes for a period of not less than seven (7) years.

~~2.9a Proviso~~ ~~Provided, however, that until the Developer of the condominium has completed the improvements and closed the sales of at least eighty (80%) per cent of the apartments of the condominium, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, the proceedings of all meetings of the members of the association shall have no effect unless approved by the Board of Directors.~~

### 3.0 Directors

### 3.0 ADMINISTRATION

3.1 Membership The affairs of the Association shall be managed by a board of not less than three (3) nor more than nine (9) directors, the exact number to be determined at the time of election. All members of the board of directors shall be members of the Association.

3.2 Election of Directors shall be conducted in the following manner:

a. Election of directors shall be held at the annual member meeting. The members of the board of administration shall be elected by written ballot or voting machines. Proxies shall in no event be used in electing the board of administration, either in general elections or elections to fill vacancies caused by recall, resignation or otherwise, unless provided in this chapter.

Not less than sixty (60) days before a scheduled election, the association shall mail or deliver, whether by separate mailing or included in another association mailing or delivery including regularly published newsletters, to each unit owner entitled to a vote, a first notice of the date of election.

Any unit owner desiring to be a candidate for the board of directors must give written notice to the association not less than forty (40) days before a scheduled election.

Together with the written notice and agenda, the association shall mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a ballot that shall list the candidates. Each candidate may furnish an information sheet, no larger than 8 1/2 inches by 11 inches, not less than thirty-five (35) days before the election to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the association. However, the association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the association may print or duplicate the information sheets on both sides of the paper. Not less than (30) days before the election, the Association shall then mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a ballot which shall list all candidates. Elections shall be decided by a plurality of those votes cast. There shall be no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the board of administration. No unit owner shall permit any other person to vote his ballot, and any ballots improperly cast shall be deemed invalid.

Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run than vacancies exist on the board.

~~(b) A nominating committee of five (5) members shall be appointed by the board of directors not less than 30 days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Nominations may be made from the floor.~~

(c) The election shall be by ballot (~~unless dispensed by unanimous consent~~) and by a majority of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

~~(d) Except as to vacancies created by removal of directors by members pursuant to the Condominium Act, vacancies in the board of Directors occurring between annual meetings of members shall be filled at a meeting of the Board of Directors by the affirmative majority of the remaining directors, though less than a quorum of the Board of Directors. Any director elected to fill a vacancy shall serve for the unexpired term of the seat being filled.~~

~~(e) Any director may be removed by concurrence of two-thirds of the vote of the entire membership at a special meeting of the members called for that purpose subject to the provisions of F.S. 718.301. If the recall is approved by a majority of all voting interests, the recall will be effective immediately and shall turn over to the board within five (5) business days any and all records and property of the association in their possession.~~

(e) RECALL OF BOARD MEMBERS Subject to the provisions of s. 718.301, any member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of the voting interests. A special meeting of the unit owners to recall a member or members of the board of administration may be called by ten (10) percent of the voting interests giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.

1. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided therein. The board shall duly notice and hold a board meeting within five (5) full business days of the adjournment of the unit owner meeting to recall one or more board members. At the meeting, the board shall either certify the recall, in which case such member or members shall be recalled immediately and shall turn over to the board within five (5) full business days any and all records and property of the association in their possession, or if not certified by the board, they shall proceed as set forth in ██████████

2. Any vacancy occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole remaining director. In the alternative, the board may hold an election to fill the vacancy, in which the election procedures must conform to the requirements of subparagraph. A board member appointed or elected under this section shall fill the vacancy for the unexpired term of the seat being filled.
  - (f) ~~Provided, however, that until the developer of the condominium has completed all of the contemplated improvements and the sales of at least 80% of the apartments of the condominium, or until the developer elects to terminate its control of the condominium, whichever shall first occur, the first directors of the Association shall serve, and in the event of vacancies the remaining directors shall fill the vacancies, and if there are no remaining directors the vacancies shall be filled by the Developer.~~
3. The term of each director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.
  - 3a. The term of director's service shall be (1) one, (2) two and (3) years, with returning board members providing continuity in administration. Each director will serve until the next annual meeting ending the specified term of service, at which time his successor is duly elected and certified or until he is removed in the manner elsewhere provided.
  - 3b. The immediate past president of the board shall serve as an "ad hoc" or non-voting member of the board to provide counsel and historic perspective to the affairs of the association.
4. The organization meeting of the newly-elected board of directors shall be held within ten (10) days of their election at such time and place as shall be fixed by the directors at the meeting at which they were elected, and no further notice of meeting shall be needed providing a quorum shall be present. The executive officers of the board shall be elected by the board of administration at this organizational meeting.
5. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the 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.
  - 5a. Board of administration meetings Regular meetings of the board of administration at such time and place as shall be determined, by a majority of directors. The meeting will be called by the president or vice president and board members will be noticed in writing by the secretary. Meetings of the

board of administration at which a quorum is present shall be open to all unit owners. Any unit owner may tape record or videotape meetings of the board. The right to attend such meetings includes the right to speak at such meetings with reference to all agenda items. The association may adopt rules governing the frequency, duration, and the manner of unit owner statements. Adequate notice of all meetings, which shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property at least 48 hours continuous hours preceding the meeting except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the board members. Such emergency action shall be noticed and ratified at the next regular board meeting. Upon notice to unit owners, the board may designate a specific location on the condominium property upon which all notices shall be posted.

~~6. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third 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.~~

5a continued to replace 6. above

However, written notice of any meeting at which non-emergency, or at which amendment to rules regarding unit use, will be considered shall be mailed or delivered to unit owners and posted conspicuously on the condominium property not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice shall be by an affidavit executed by the person providing the notice and filed among the official records of the association. Notice of any meeting in which regular assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of such assessments. Meetings of a committee to take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to the provisions of this paragraph. Meetings of a committee that does not take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to the provisions of this section, unless those meetings are exempted from this section by the bylaws. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the unit owners is inapplicable to meetings between the board or a committee and the association's attorney, with the respect to proposed or pending litigation, when the meeting is held for the purpose of seeking or rendering legal advice.

7. Waiver of notice Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

8. A quorum at the directors' meetings shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at the meeting at which a quorum is present shall constitute the acts of the board of directors, except where approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation or these Bylaws.

9. Adjourned meetings If at any meeting of the board of directors there are 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.

9a. Notice of the rescheduled meeting must be posted conspicuously on the Condominium property at least 48 continuous hours in advance, except in an emergency.

~~8. Joinder in meeting by approval of minutes—The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.~~

10a. A member of the board of administration may submit in writing his or her agreement or disagreement with any action taken at a meeting that member did not attend. This agreement or disagreement may not be used as a vote for or against the action and may not be used for the purpose of creating a quorum. When any of the board of administration meet by telephone conference, those members attending by telephone conference may be counted toward obtaining a quorum and may vote by telephone. A telephone speaker must be used so that the conversation of those board members attending by telephone may be heard by the board attending in person as well as by any unit owners present at the meeting. Members of the board who are not present in any way may join the results of the meeting by signing the minutes to concur with actions taken.

~~9. The presiding officer of directors' meetings shall be the chairman of the board if such an officer has been elected; and if none the President shall preside. In the absence of the presiding officer the directors present shall designate one of their number to preside.~~

11a. The presiding officer of the directors meetings shall be the President of the association. In the absence of the president, a vice president shall preside, in the absence of vice president the directors shall designate one of their number to preside.

10. The order of business at the directors meetings shall be:

- (a) Calling the roll
- (b) Proof of notice of meeting
- (c) Reading and disposal of any unapproved minutes
- (d) Reports of officers and committees



- (e) Election of officers
- (f) Unfinished business
- (g) New business
- (h) Adjournment

~~.13 Directors fees, if any, shall be determined by the members.~~

.13a. Directors shall serve without compensation.

4.0 Powers and duties of the board of directors. All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these Bylaws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by apartment owners when such is specifically required.

#### 5.0 Officers

.1 The executive officers of the corporation shall be a President, who shall be a director, a Vice President who shall be a director. A Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary or Assistant Secretary. the board of directors shall from time to time elect such other officers and designate their powers and duties as the board shall find to be required to manage the affairs of the Association.

.2 The President shall be the chief executive officer of the Association. He shall have all the powers and duties which are usually vested in the office of an association, including, but not limited to the power to appoint committees from among the members from time to time as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association.

.3 The Vice President shall in the absence or disability of the President 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 directors.

.4 The Secretary shall keep the minutes of all proceedings of the directors and members. He shall attend to the giving and serving of all notices to the members and directors and other notices as required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed.

He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent and shall otherwise assist the Secretary and perform such other duties as prescribed by the directors.

.5 The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer. The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent and shall otherwise assist the Treasurer and perform such other duties as prescribed by the directors.

.6 The compensation of all officers and employees of the Association shall be fixed by the directors. This provision shall not preclude the board of directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the condominium.

6.0 Fiscal management The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

6.1 Accounts the funds and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

- (a) Current expenses which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, or to additional improvements or to operations. The balance of this fund at the end of the year shall be applied to reduce the assessments for current expense for the succeeding year.
- (b) Reserve for deferred maintenance, which shall include funds for maintenance items, which occur less frequently than annually. These items shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved shall be computed by means of a formula, which is based upon estimated remaining useful life and estimated replacement cost or deferred

maintenance expense for this item. The association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to budgets in which the members of the association have, by a majority vote at a duly called meeting of the association, determined for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. If a meeting of the unit owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the original budget shall go into effect.

- (c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
- (d) Additional improvements, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property which will be part of the common elements.
- (e) Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for the authorized reserve expenditures unless their use for other purposes is approved in advance by a vote of the majority of the voting interests, voting in person or by limited proxy at a duly called meeting of the association.

6.2 Budget The board of directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices as follows:

- (a) Current expense, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenses chargeable to reserves, to additional or to operations. The balance of this fund at the end of the year shall be applied to reduce the assessments for the current expense for the succeeding year.
- (b) Reserve for repair or replacement, which shall include funds for the repair or replacement required because of damage, depreciation or obsolescence.

- (c) Betterment's, which shall include funds for capital expenditures in additional improvements or additional personal property which shall be part of the common elements, the amount for which shall not exceed \$5,000, provided, however that in the expenditure of this fund, no sum in excess of \$4000 shall be expended for a single item or purpose without approval of the members of the Association.
- (d) Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by apartment owners entitled to cast not less than 75% of the votes of the entire membership of the Association.
- (e) Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1<sup>st</sup> preceding the year for which the budget is made. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each member.

(e1) Budget meeting. The board of administration shall mail or hand deliver to each unit owner at the address last furnished to the association a meeting notice and copies of the proposed annual budget of common expenses not less than 14 days prior to the meeting of the unit owners or the board of administration at which the budget will be considered. Evidence of compliance with this 14-day notice must be made by affidavit executed by an officer of the association or the manager or other person providing notice of the meeting and filed among the official records of the association. The meeting must be open to all unit owners. If an adopted budget requires assessments against unit owners in any fiscal or calendar year which exceed 115% of the assessments for the previous year, the board, upon written application of 10 % of the voting interests to the board, shall call a special meeting of the unit owners within 30 days upon not less than 10 days' written notice to each unit owner. At the special meeting, unit owners shall consider and enact a budget. The adoption of the budget requires a vote of not less than a majority vote of all the voting interests. The board of administration may propose a budget to the unit owners at the meeting of members or in writing, and if the proposed budget is approved at the meeting or by a majority of all the voting interests in writing, the budget is adopted. If a meeting of the unit owners has been called and a quorum is not attained or a substitute budget is not adopted by the unit owners, the budget adopted by the board of directors goes into effect as scheduled. In determining whether assessments exceed 115% of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or

replacement of condominium property, anticipated expenses by the condominium association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterment to the condominium property must be excluded from the computation.

6.3 ~~Assessments~~ Assessments against the apartment owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 20<sup>th</sup> preceding the year for which the assessments are made.

6.3a Assessments Assessments against the unit owners shall be made annually in an amount which is not less than that required to provide funds in advance for payment of all anticipated current operating expenses and for all unpaid operating expenses previously incurred.

6.3(con't) Such assessments shall be due in periodic installments as the Board of Directors shall from time to time determine. If the annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and installment payments thereon shall be due upon each installment payment date until changed by an amended assessment. If the annual assessment proves to be insufficient, the budget and assessments therefor may be amended at any time by the board of directors if the amounts do not exceed the limitations thereon for that year. Any amount which does exceed such limitations shall be subject to the approval of the membership of the association heretofore required. Amended assessments shall be due and payable as determined by the Board of Directors. The first assessment shall be determined by the Board of Directors of the Association.

6.4 Acceleration of assessment installments upon default. If an apartment owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to the apartment owner, and thereupon the unpaid balance of the assessment shall come due and payable upon the date the claim of lien is filed. (but not less than 10 days after delivery thereof to the apartment owner, or not less than 20 days after the mailing of such notice to him by registered or certified mail, whichever shall occur first.) Such accelerated assessments shall include the amounts due for the remainder of the budget year for which the claim of lien was filed.

6.5 Assessments for emergencies Assessments for common expenses of emergencies which cannot be paid from the annual assessments for common expenses shall be made only after notice of the need therefore to the apartment owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the apartment owners concerned, the assessment shall become effective, and it shall be due after 30 days notice thereof in such a manner as the Board of Directors of the Association may require in the notice of assessment.

6.6 The depository of the Association shall be such bank or savings and loan association as shall be designated from time to time by the directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys

from such accounts shall be only by checks signed by two such persons as are authorized by the directors.

~~6.7 An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be furnished to each member not later than March 1<sup>st</sup> of the year following the year for which the report is made.~~

6.7a Audit. An audit of the accounts of the Association shall be made annually by a certified public accountant. Within 60 days following the end of the fiscal or calendar year, the board of administration of the association shall mail or furnish by personal delivery to each unit owner this complete financial report of actual receipts and expenditures for the previous 12 months. The report shall show the amount of receipts by accounts and receipt classifications and shall show the amount of expenses by accounts and expense classification, including, but not limited to the following:

- (a) Costs for security
- (b) Professional and management fees and expenses
- (c) Taxes
- (d) Costs for recreation facilities
- (e) Expense for refuse collection
- (f) Utility expenses
- (g) Expense for lawn care
- (h) Expense for pool care
- (i) Costs for building maintenance and repair
- (j) Insurance and inspection costs
- (k) Administrative and salary expenses
- (l) General reserves, maintenance reserves and depreciation reserves

~~6.8 Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors, but shall be at least one-half the amount of the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.~~

6.8a Fidelity bonds. The association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the association. As used in this section, the term "persons who control or disburse funds of the association" means those individuals authorized to sign checks, and the president, secretary, and treasurer of the association. If associations gross receipts do not exceed \$100,000, the bond shall be in the principal sum of not less than \$10,000 for each such person. If an association's annual gross receipts exceed \$100,000, but do not exceed \$300,000, the bond shall be in the principal sum of \$30,000 for each such person. If an association's annual gross receipts exceed \$300,000, the bond shall be in the principal sum of not less than \$50,000 for each such person. The association shall bear the cost of bonding.

6.8a The Association shall maintain a record of all association receipts and expenditures, as well as an assessment role in a set of accounting books in which there is an account for each member. Each account shall designate the name and address of the member, the dates and amounts in which assessments became due, the amounts paid upon the account and the balance due upon assessments.

6.9a The association shall maintain each of the following items, when applicable, which shall constitute the official records of the association:

- (a) A copy of the plans permits, warranties, and other items provided by the developer.
- (b) A copy of recorded Declaration of Condominium of each condominium operated by the association and of each amendment to such declaration.
- (c) A copy of the recorded Bylaws of the association and of each amendment to the bylaws.
- (d) A certified copy of the Articles of Incorporation of the association, or other documents creating the association and of each amendment thereto.
- (e) A copy of the current Rules of the association
- (f) A book or books which contain the minutes of all meetings of the Association, Board of Directors, and of Unit Owners, which minutes shall be retained for a period of not less than seven (7) years.
- (g) A current roster of all unit owners and their mailing address, and telephone numbers.
- (h) All current insurance policies of the Association.
- (i) A current copy of any management agreement, lease, or other contract to which the association is a party or the unit owners have an obligation or responsibility.
- (j) Bills of sale or transfer for all property owned by the association.
- (k) Accounting records for the association, according to good accounting practices. All accounting records shall be maintained for a period of not less than seven (7) years.
- (l) Accounting records for the association shall include, but are not limited to:
  - (1) Accurate, itemized and detailed records of all receipts and expenditures
  - (2) A current account and monthly, bimonthly or quarterly statement of the account for each unit designating the name of the unit owner, the due date and the amount of each assessment, the amount paid upon the account, and the balance due.
  - (3) All audits, reviews, accounting statements, and financial reports of the association.
  - (4) All contracts for work to be performed. Bids for work to be performed shall be considered official records and shall be maintained for a period of one (1) year.

(m) Ballots, sign-in sheets, voting proxies, and all other papers relating to voting by unit owners, which shall be maintained for a period of one (1) year from the date of the election, vote, or meeting to which the document relates.

(n) All rental records when the Association is acting as agent for the rental of condominium units.

(o) All other records of the association not specifically included in the foregoing which are related to the operation of the Association.

(1) The official records of the association shall be maintained within the state of Florida. The records of the association shall be made available to a unit owner within five (5) business days after receipt of a written request by the board. The records may be available for inspection on the Association property.

(2) The official records of the association are open to inspection by an association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at a reasonable expense, if any, of the association member. The association may adopt reasonable rules regarding the frequency, time, location, notice and manner of record inspections and copying. Notwithstanding the provisions of this paragraph, the following records shall not be accessible to unit owners:

(a) A record which was prepared by an association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceeding, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.

(b) Information obtained by the association in connection with the approval of the lease, sale, or other transfer of a unit.

(c) Medical records or information of unit owners.

7.0 Parliamentary Rules Roberts' Rules of Order ( latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation or these Bylaws.



8.0 Amendments These Bylaws may be amended in the following manner:

- 8.1 Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
- 8.2 A resolution adopting a proposed amendment may be proposed by either the board of directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be by either:
- (a) Not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the Association; or
  - (b) By not less than 80% of the votes of the entire membership of the Association; or
  - (c) Until the first election of directors, by all of the directors.

8.2a Resolution A resolution for the adoption of a proposed amendment may be proposed either by the board of directors of the Association or by the members of the Association. Members may propose such an amendment in writing directed to the president or secretary of the Association signed by a majority of the members. Amendments may be proposed by the board of directors by action of a majority of the board of directors at any regular or special meeting thereof. The Bylaws may be amended if the amendment(s) is approved by the owners of not less than two-thirds of the voting interests.

8.3 No bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing bylaws shall contain the full text of the bylaws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through. However if the proposed change is so extensive that this procedure would hinder, rather than assist the understanding of the proposed amendment, it is not necessary to use underlining and lining through, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of bylaw \_\_\_\_ See bylaw \_\_\_\_ for present text."

8.4 Nonmaterial errors or omissions in the bylaw process will not invalidate an otherwise properly promulgated amendment.

8.5(previously 8.3) Proviso Provided, however, that no amendment shall discriminate against any apartment owner nor against any apartment or class or group of apartments unless the apartment owners so affected shall consent. No amendment shall be made that is in conflict with the Declaration of Condominium or Articles of Incorporation.

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Volusia County, Clerk of Court

8.6 Recording A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as amendment of the Declaration and Bylaws, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Volusia county, Florida.

The foregoing was adopted as the amended Bylaws of THE SHOREHAM BEACH ASSOCIATION, INC. A corporation not for profit under the laws of the State of Florida by written ballot.

Approved

Dec 3 2001  
date

Barbara Davis  
Barbara Davis, Secretary

DEC 3 2001  
date

John Zellars  
John Zellars, President

