

BYLAWS
of the
LAKE PEND OREILLE YACHT CLUB,
INC.

An Idaho Corporation
Approved: March 22,
2015

ARTICLE
ONE
Name and Purpose of
Organization

Section 1. The name of this Non-Profit Organization shall be the "Lake Pend Oreille Yacht Club, Inc.", herein referred to as the Club.

Section 2. The principal offices of the Club shall be in the Community of Bayview, Idaho, at a specific location determined by the Board of Directors, herein referred to as the Board.

Section 3. The purposes for which the Club is organized are:

- (a) To encourage sailboating and yachting
- (b) To promote character development and respect for the sea
- (c) To promote and encourage the training of youth and interested persons in the heritage and sport of sailing
- (d) To cultivate social interaction among its members

Section 4. Equipment owned by the Club includes a boat, motor, and other miscellaneous items used for the purpose of conducting sailboat races and supporting other activities on Lake Pend Oreille.

ARTICLE TWO
Membership and
Dues

Section 1. Membership in the Club shall be open to all persons interested in sailing. Applications for new membership must be accepted by a majority vote of the Board. Full privileges of the Club shall extend to the individual member, plus all persons in his/her immediate family, residing at home. The rights and interests of all members shall be equal, and no member shall have, or acquire, a greater interest than any other member. There are four types of membership, defined as follows:

- (a) Regular Member- Any individual member who is not an Honorary, Junior, or Associate Member.

(b) Honorary or Lifetime Member- A Regular Member, who, in the unanimous opinion of the Board, has served as a distinguished yachtsman over a span of years to the credit and honor of the Club, or who, in addition, shall have performed outstanding acts of service to the Club.

(c) Junior Member- A Junior Member shall be at least 13, and not over 22, years of age, not a member of the immediate family of a Regular Member, throughout the calendar year during which they are a member. Club privileges for family members do not apply to this type of membership.

(d) Associate Member- A non-sailboat owner, not a member of the immediate family of a Regular Member, who is crewing or otherwise participating in sailing events or other club activities.

Section 2. Dues shall be as follows: Amount of annual dues may be changed with a majority vote of the board on an annual basis. New dues must be announced at the Spring OGM and will take effect on January 1st of the following year. The current dues for FY 2015 are:

(a) Regular Member - \$50.00

(b) Honorary/ Lifetime Member-\$0.00

(c) Junior Member-\$15.00

(d) Associate Member-\$25.00

Section 3. The Club's fiscal year shall be from January 1st to December 31st of each calendar year.

Section 4. Membership dues are payable by March 31st of each calendar year. Members whose dues are delinquent have no vote at regular or special general meetings and will not be listed in the online Membership Directory. If dues are delinquent for over six months, that membership shall be terminated. Membership may also be terminated, for any reason whatsoever, by a three-quarters vote of the members present at any regular or special general meeting. However, such a motion shall only be brought before the general membership by a majority vote of the **Board**. A member may resign from the Club at any time, upon notice, in writing addressed to the Secretary. Membership in the Club is non-transferable.

Section 5. A member shall be deemed in good standing who is not in arrears as to any dues, charges or assessments, and whose membership has not been discontinued.

ARTICLE THREE- Organizational Structure and Elections

Section 1. The Board shall consist of seven members, including six elected officers (the Commodore, the Vice Commodore, the Rear Commodore for Racing, the Rear Commodore for Cruising, the Secretary, and the Treasurer) plus the immediate Past Commodore.

Section 2. At the recommendation of the Board, and with approval of the general membership, two individuals may fill a single officer position. In that case, they must each be individually elected, and they will each be full voting members of the Board.

Section 3. At the recommendation of the Board, and with approval of the general membership, a single individual can perform the duties of both the Secretary and the Treasurer. In this case, one additional Director must be elected to the Board to serve a concurrent term with the Secretary/Treasurer, as a full voting member.

Section 4. All officers and directors shall serve a one-year term. The Past Commodore shall remain on the Board for one year following his/her term of office. The Commodore shall not serve more than two successive terms. If an individual does serve a second term as Commodore, one additional Director must be elected to the Board to serve in the place of the Past Commodore, as a full voting member.

Section 5. An officer or director may be removed from his/her position, for any reason whatsoever, by a three-quarters vote of the members present at any regular or special general meeting. However, such a motion can only be brought before the general membership by a majority vote of the Board. In the event such a motion is sustained, the position shall be deemed vacant.

Section 6. In the event that any officer or director fails to complete his/her term in office, the remaining Board members shall immediately nominate another individual to complete that term. The nomination of the Board must be approved by the general membership at a special meeting to be held as soon as possible after the Board nomination. The newly elected Board member will not be entitled to participate in a roll-call vote of the Board, until they are approved by the general membership.

Section 7. Each year, the Board must appoint a Nominating Committee by the end of September, to include the incumbent Commodore plus four additional members. The Commodore will act as chairperson. This committee shall nominate candidates for all elective offices to be filled for the following year and notify the Secretary of their selections before October 15th.

Section 8. Elections shall be held during the Fall Annual Meeting of the general membership. A list of candidates proposed by the Nominating Committee will be disseminated to all members at least two weeks prior to the meeting. Additional candidates may be nominated and seconded from the floor, during the meeting. Officers and Directors will be elected by a simple majority of those members present. Any contested office must be voted on by secret ballot.

Section 9. The new officers and directors shall assume their duties immediately following the elections. Elected officers must be Regular Members in good

standing.

Section 10. Appointed Members of the Board- The Board shall appoint persons to fill the following positions on an annual basis: Marketing Director, Port Captain, Race Director, Club Handicapper and Webmaster. Duties of the appointed positions are described in Article 5 of the Club Bylaws.

ARTICLE FOUR- Duties of the Board of Directors

Section 1. Management of the Club shall be vested in the Board of Directors. The Board shall provide general direction for the activities of the Club, including, but not limited to, making plans, preparing a schedule of events, recommending policies and objectives, and proposing budgets for expenditures.

Section 2. Board meetings shall be held at times and places designated by the Commodore, as necessary to accomplish the requirements of these bylaws and to effectively manage the activities of the Club. The Commodore must schedule a meeting to be held within 30 days after receiving a request for such meeting by at least two Board members. All Board meetings shall be open to the general membership. Board members must be personally notified, and the meeting must be rescheduled if a quorum is not present. The board shall meet a minimum of three times annually to conduct Club business.

Section 3. Five members of the Board shall constitute a quorum to transact the business of the Board. The Commodore will vote only in the event of a tie. If any Board positions are vacant, the requirement for a quorum shall be reduced by that same number.

Section 4. Each year, during December, the Board must designate a Registered Agent for the upcoming fiscal year. This position will not be paid and may be filled by a current member of the Board.

Section 5. Each year, in December, the Board must designate a specific location for the principal offices of the Club, during the upcoming fiscal year.

Section 6. Each year, the Directors must draft an Annual Budget for the upcoming fiscal year. This draft budget must be available to the membership by February 15th.

(a) The general membership shall have until March 1st to provide written comment on the draft budget. These comments should be in the form of revisions, additions and/or deletions, along with a justification for the suggested changes. The Directors will then consider these comments and incorporate them into the budget, as appropriate.

(b) A final budget shall be presented for ratification by a simple majority of the membership present at the Spring general meeting. If no Annual Budget is ratified, Club activities will continue, using the previous year's budget, until a new budget is approved.

Section 7. The Board of Directors may use any appropriate means to communicate with the membership.

ARTICLE FIVE Duties of Club Officers

Section 1. The Commodore shall preside over meetings of the general membership and of the Board. He/she shall direct the activities of the Club and appoint a chairperson for each committee, with approval of the Board. The Commodore shall be chairperson of the Nominating Committee and may sit ex-officio on any other committee. He/she shall carry out all other responsibilities assigned to him by these bylaws and/ or by the Board.

Section 2. During the absence, or temporary incapacity of the Commodore, the Vice Commodore shall perform the duties, and assume responsibilities of the Commodore. In addition, the Vice Commodore shall be responsible for all Club publicity, and responsible for contacting persons, companies and other establishments for sponsoring club activities. The Vice Commodore will also be responsible for making all arrangements necessary to support the Annual Fall General Meeting.

Section 3. The Rear Commodore for Racing is responsible for execution of the Club's racing program. He/she shall be chairperson of the Race Committee.

Section 4. The Rear Commodore for Cruising is responsible for execution of the Club's social programs. He/she shall be chairperson of the Cruise Committee.

Section 5. The Secretary shall be responsible for taking and recording minutes at all meetings of both the general membership and the Board, reading these minutes when requested by the Commodore. A separate log shall be kept of all resolutions and motions passed. He/she shall also take care of correspondence, at the request of the Commodore, and have custody of all reports and documents connected with the proceedings of the Club. The Secretary shall maintain an up-to-date Membership Directory, which will include the status of each member and all of the boats and yachts enrolled in the Club. A Membership Certificate (card) shall be provided to each member upon request, in such form as may be determined by the Board and shall be signed by the Commodore. This certificate shall indicate an expiration date, after which dues have not yet been paid. The Secretary shall perform such other duties as may be required by these bylaws or by the Board, including giving notice of all club meetings and producing newsletters.

Section 6. The Treasurer shall be responsible for keeping current financial records. He/she must maintain a full knowledge and understanding of the Club's operating funds and shall present at each meeting, and whenever so requested by the Board of Directors, a detailed account showing the financial condition of the Club. The Treasurer must ensure that Idaho State taxes are paid when due, and that any other information returns are filed, as may be required by law.

In addition, the Treasurer will maintain records of the Club's liability and casualty insurance, file an Annual Report with the Idaho Secretary of State each year, prior to March 1st, and perform such other duties as may be required by these bylaws or requested by the Board.

Section 7. Appointed Board Members- The following Committee Members shall

be appointed to the Board of Directors by majority vote of the elected Board. Appointed members shall provide input and consul in their areas of responsibility.

(a) Marketing Director- the appointed member shall head the Marketing Committee as the Chair person. See Article 8, Section 5(c) for reference.

(b) Port Captain- The appointed member shall, with the assistance of the Race Committee chairperson and Race Director, be responsible for maintenance and upkeep of the Club's assets used in conducting race or cruising activities. This includes input and preparation of a maintenance budget for the committee boat, coordination of work by club members for the committee boat and maintenance of racing buoys and other equipment. See Article 8, Sections 5 (a) and (b) for reference.

(c) Race Director- This member is responsible for the administration of the scheduled races and operation of the committee boat during races. Duties include but are not limited to assisting with setting the race course, providing preparatory, starting and finishing signals during the designated race(s), and keeping accurate records of participants and start/finishing order for the race(s). The race director IS NOT responsible for overall standings, maintenance of handicap ratings, and other records posted on the Club website regarding completion of each individual race or event. See Article 8, Section 5(a) for reference.

(d) Club Handicapper- the appointed member shall be a person knowledgeable in the rules of U.S. Boating and PHRF in regards to handicapping of boats for racing. He/she is responsible for accurately determining the handicap for each boat participating in Club sanctioned racing events when he/she receives necessary information from the boat owner, according to PHRF standards. This person shall be a member of PHRF and have the additional duty of reporting any changes in U.S. Boating or PHRF rules to the Board and General Membership. See Article 8, Section 5 (a) for reference.

ARTICLE SIX Financial Policy

Section 1. The Club shall be run on a strict "good business" policy.

Section 2. An annual Club budget will be established as per Article Four, Section Six.

Section 3. All expenditures of funds must be approved by the Board, unless included in the approved Budget. Any expenditure which exceeds the Budget by more than 10% (ten percent) must be approved by the general membership.

(a) As appropriate, a budget shall be proposed for each committee which has been formally established. Individual committee budgets included in the Club budget must be approved by the general membership before expenditure of funds. Each Committee Budget shall indicate a breakdown of all funds to be expended, as well as the source of those funds.

(b) Any Officer or chairperson of a committee may incur expenses up to the limit of the committee budget without further approval.

(c) To the extent that funding is available, the Board may approve expenditures, which are within the annual budget approved by the general membership.

(d) Club funds shall be kept in a checking account or passbook account at a local bank. The signature of only one Board member will be required for each check. The Board shall determine signature authority.

(e) A separate budget line shall be established to accumulate funds for use in the event of a major equipment failure. The Board, with input from the Port Captain and Race Director shall determine the funding goal of this budget line.

(f) The Treasurer must maintain a permanent ledger, plus a budget ledger, on all accounts held by the Club. Accounting ledgers and associated papers shall be maintained in accordance with Generally Accepted Accounting Principles (GAAP)

Section 4. No debts shall be contracted unless sufficient funds are available at the time to meet the obligation, except that debts may be contracted without sufficient funds, if a fund-raising plan to cover the expenses is submitted to the Board, and approved by the general membership, prior to incurring the obligation.

Section 5. It shall be a general policy that the Club does not help finance other organizations or their activities. This does not preclude any expenditure of funds, judged by the membership to enhance the purposes for which the Club is organized, such as support for local regatta's where member boats are participating or organizations/events where the Club is a participating member.

Section 6. The Club may, with prior approval of the Board, join other organizations and pay associated membership fees.

Section 7. At the request of the Commodore, but at intervals not exceeding 3 fiscal years, a financial audit shall be conducted. This audit may be performed by members of the Club, as appointed by the Commodore, except that no Treasurer may assist in the audit of his own books. It is not necessary that this audit be certified, unless directed by the Board.

Section 8. Copies of the income and expense report, or equivalent shall be made available to the General Membership at the Fall OGM.

ARTICLE SEVEN General Membership Meetings

Section 1. A meeting of the general membership shall be held annually, not later than the end of the first week in April for the purpose of approving the annual budget, and consideration of any other matters that may be submitted by the Board. A schedule of Club activities will be disseminated at this meeting.

Section 2. A meeting of the general membership shall be held annually within 6 weeks after the completion of the Commodore's Cup Races for the purpose of electing officers for the ensuing year, and for consideration of any other matters that may be submitted by the Board.

Section 3. Special meetings may be called by the Board, as required. Notification of the general membership should be made at least 2 weeks prior to the meeting, if at all possible.

Section 4. Prior to every meeting, the Commodore shall prepare an agenda. This agenda shall be made available to the general membership at least 2 weeks prior to the meeting, if possible.

Section 5. In the absence of both the Commodore and Vice Commodore, another member of the Board will preside over the meeting.

Section 6. Any motion, which is seconded, will be discussed and voted upon. Any member may request a roll-call vote if the voice vote is not unanimous. One-fifth of the membership in good standing shall constitute a quorum at any General Membership meeting. Voting by proxy shall not be permitted.

Section 7. Only members in good standing shall be entitled to engage in discussion, introduce motions and/or vote on matters brought before the membership. For a roll-call vote, each Regular, Honorary and Associate Member is entitled to one (1) vote. Junior Members shall not vote. All motions, except amendments to these Bylaws, termination of a membership, or removal of an officer, will be passed or rejected by a simple majority.

Section 8. Robert's Rules of Order will prevail at all meetings. In case of disagreement, these Bylaws will take precedence.

ARTICLE EIGHT

Committees

Section 1. Special committees shall be established at the discretion of the Commodore or by a majority vote of the Board. These may either be standing committees, which must be reconfirmed at the beginning of each fiscal year, or ad hoc committees, which will be dissolved when work is completed to the satisfaction of the Commodore and the Board. As each committee is established, it shall be identified as either a standing or ad hoc committee.

Section 2. Committee chairpersons will be selected by the Commodore and approved by the Board. They should attend all meetings of the Board and will be entitled to engage in discussion, and introduce motions, and vote on business that comes before the Board.

Section 3. No committee or committee member shall commit the Club or Board beyond his or her designated authority. As appropriate, the Commodore, or the Board, may set the limits of this authority. The most restrictive limits will be binding.

Section 4. The activities of each committee shall be reported to the Board at every Board meeting. Each committee chairperson is responsible for ensuring that these reports are available to the Board.

Section 5. Standing Committees shall include, but are not limited to, the following:

(a) **Race Committee:** The Race Committee shall consist of the Rear Commodore for Racing, as Chairperson, a representative from each of the recognized Club racing fleets, the Club Handicapper, the Port Captain, Race Director, and the Past Rear Commodore for Racing, along with any additional Club members needed to effectively execute the Club's racing program. The Race Chairperson is responsible for the organization and conduct of all Club races, under the Rules of US Sailing. He/she shall develop an initial race schedule, for approval by the Board, and shall obtain the necessary permits for all race events.

In addition, he/she shall develop a budget for the racing program, to include all costs and income, for inclusion in the Club's Annual Budget. With the help of the Race Committee, he/she is responsible for preparing the Sailing Instructions, handling protests and appeals, calculating race and series results, obtaining and presenting trophies, and ensuring that all yachts are handicapped fairly and equitably. With the help of the Port Captain, he/she is also responsible for maintenance of the Race Committee boat, along with all of the equipment customarily contained on that boat, and necessary for the conduct of the race program.

(b) **Cruise Committee:** The Cruise Committee shall consist of the Rear Commodore for Cruising, as Chairperson, and a minimum of any two (2) additional club members in good standing. The Cruise Chairperson is responsible for the organization and conduct of Club social events. He/she may delegate the coordination of any, or all events to such other club members as agree to coordinate event(s). He/she shall develop an initial cruising/social schedule for approval by the Board. In addition, he/she shall develop a budget for the social programs of the Club, to include all costs and income, for inclusion in the Club's Annual Budget.

(c) **Marketing Committee:** The purpose of the Marketing Committee is to provide for the sale of promotional products utilizing the Club name and burgee. These funds provide a positive cash flow and add income to support other Club activities as designated by the Board. The Marketing Committee shall consist of a Chairperson and as many additional club members as might be needed to accomplish the functions of this committee. The Marketing Chairperson is responsible for developing, designing, procuring, and selling Club promotional products to its members and the general public. These products are typically, but not limited to, printed T-shirts and sweatshirts; embroidered shirts, jackets, blankets, and hats. He/she shall develop a budget, to include all costs and projected income, for inclusion in the Club's Annual Budget.

(d) **Website Committee:** The Website Committee shall consist of the Website Editor (Webmaster), as Chairperson, and any additional club members to assist with the activities of this Committee. The Website Editor is responsible for keeping the site up to date with current information, posting bulletins, newsletters, race results, etc., within a reasonable amount of time after receiving that new information. He/she is responsible for checking the website E-mail box on a weekly basis and forwarding information to Board members as appropriate. Maintenance and improvement of the web site is also the responsibility of the Website Editor. Software must be used in compliance with the software program's licensing agreement. In addition, he/she shall develop a budget for operation of the website for inclusion in the Club's Annual Budget.

**ARTICLE NINE
Amendments**

Section 1. Before these articles of the Bylaws can be amended, a committee must be established to draft the proposed amendment. The committee chairperson should present the draft amendment to the Board for discussion prior to finalization. At the meeting of the general membership, during which the proposed amendment to the bylaws is to be acted upon, this amendment may not be changed from the floor, but must be ratified or rejected as presented. Amendments may be enacted by a two thirds majority of the members present at any general membership meeting, provided that previous notice is given of those changes that are to be acted upon by the members. Such notice must be made at least 2 weeks prior to the meeting at which they are to be acted upon.

ARTICLE TEN Dissolution

Section 1. Upon liquidation, dissolution or abandonment of the Club, for any purpose, the Board shall, after paying or making provisions for the payment of all lawful liabilities of the Club, dispose of any remaining assets only to such organization(s) which qualify as exempt under Section 501(c) (3) of the Internal Revenue Law.

ARTICLE ELEVEN Conflict of Interest

Section 1. Any director who has a financial interest in any contract or transaction to be approved by the Board shall declare such an interest at the meeting at which the contract or transaction is to be discussed and shall absent him/herself from the meeting during the discussion of that item and refrain from voting on that item. Each director shall consider that his or her primary allegiance in the conduct of Club business is to the Club. If a director's membership in any other organization would affect his or her judgment on any item before the Board, the director shall declare that membership and shall refrain from voting on that item.

ARTICLE TWELVE Equal Opportunity and Non- discrimination

Section 1. The Club will provide equal opportunities to all directors, employees, nominees, members and applicants without regard to race, color, religion, sex, sexual orientation, national origin, age, disability, military status, or other status protected by federal, state, or local law. The Club expressly prohibits any form of unlawful discrimination or harassment based on race, color, religion, sex, sexual orientation, national origin, age, disability, military status, or other status protected by federal, state, or local law.

ARTICLE THIRTEEN

Corporate Indemnity

Section 1. The corporation will indemnify to the fullest extent allowed by law any person who is made or threatened to be made a party to a claim, action, lawsuit or other proceeding, by reason of the fact that the person is or was a director, officer, volunteer or employee of the corporation. No amendment to this Article that limits the corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. The corporation shall liberally interpret this indemnification provision to extend to all persons covered by its provisions in a manner so as to provide broad indemnification, substantively, procedurally and otherwise, to directors, officers and employees

/s/ Michael Gridley /s/
Commodore, Lake Pend Oreille Yacht Club

March 22, 2015

