

Southdown Country Club, Inc.

By-Laws

ARTICLE I: Directors

- Section 1: The business and property of the corporation shall be managed by a Board of Directors, consisting of 7 members, who shall be elected at the annual fall general membership meeting. The term of office shall be one year. Transfer by a director of his membership in the corporation shall terminate his office as a director. A director may be removed for cause by two-thirds (2/3) majority of the entire Board of Director.
- Section 2: The directors shall receive no compensation for their services as directors.
- Section 3: The Board of Directors chosen in accordance with Section 1 shall elect from among themselves five officers of the corporation as provided in Article II.
- Section 4: Only one member of a family group shall be eligible to serve as a director in any one year.
- Section 5: BOARD VACANCIES: Any vacancy in the Board of Directors shall be filled by vote of a simple majority of the remaining directors, and the director so chosen shall serve until the next Annual General Membership Meeting or until his successor is elected and qualified.
- Section 6: MEETINGS: The Board of Directors shall hold regular meetings four times per year, and such other meetings as they deem necessary. The President shall call a meeting of the Board of Directors upon the request of any three directors.
- Section 7: At least ten days notice of every regular meeting of the Board of Directors shall be given each director unless all agree orally to a lesser period.
- Section 8: QUORUM: Two-thirds of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, and no motion shall be carried without the approval of a majority of the directors present. When a decision on a matter before the board cannot be held until the next scheduled board meeting, the board may vote by email. A majority of the board shall constitute a quorum, but all board members must be cc'd on any correspondence. A majority vote by email shall be binding.
- Section 9: DUTIES: The Board of Directors shall:
- (a) Adopt an Annual Budget, after recommendations made by the Finance and Operations Committees, to be submitted for the approval of the General Membership in the February Meeting. The budget as approved, amended or modified by the Membership of the Corporation, shall constitute the budget for the succeeding year.
 - (b) Prescribe rules and regulations for the use of corporate property and facilities.
 - (c) Prepare an Annual Report of the Membership and Finances of the Corporation, setting forth the transactions and summarizing the important activities of the Corporation during the calendar year, and shall cause the same to be read at the February Meeting of the General Membership. Supervise and direct the activities of all committees.
 - (d) Do or cause to be done all the other things necessary for the successful maintenance and operation of the corporation.
- Section 10: The Board of Directors may, at the expense of the corporation, cause the Treasurer and any other officers or employees to be bonded for the faithful performance of their duties, to such amounts as may be deemed necessary for the protection of the corporate funds and properties.

Section 11: The Board of Directors shall secure, for the protection of corporation, public liability, property damage and such other forms of insurance as may be deemed necessary and in such amounts as the Board of Directors may deem proper.

ARTICLE II: Officers

Section 1: At its first meeting of each year, immediately after the Annual Meeting of the General Membership of the Corporation, the Board of Directors shall elect from among themselves, the following officers of the Corporation; a President, a Vice-President, a Secretary, a Financial Secretary and a Treasurer, who shall serve in such offices for a term of one year or until their successors are duly elected and qualified. No person shall serve as President or more than three consecutive years.

Section 2: The President shall:

- (a) Preside at all meetings of the Board of Directors and of the General Membership.
- (b) Together with the Secretary, sign all contracts and documents relating to the affairs of the Corporation.
- (c) Appoint the members of all standing and special committees and be a member ex-officio of the same.
- (d) Act as the corporate liaison to the management company hired by the corporation, not limited to on-site oversight and direction of personnel hired to manage the facility and enforce the rules and regulations.

Section 3: The Vice-President shall:

- (a) Assist the President and act in his or her absence.
- (b) Maintain a record of all suspensions of pool privileges due to violations of the Pool Rules and Regulations and make proper notification to the family groups involved.

Section 4: The Secretary shall:

- (a) Make and keep a record of the minutes of meetings of the Board of Directors and of the General Membership.
- (b) Keep all other corporate records.
- (c) Conduct all official correspondence.
- (d) Issue calls for any notices of all meetings.
- (e) Perform such other functions as may be appropriate to his office or as may be required by the Board of Directors.
- (f) Keep a list of member email addresses to communicate with membership. Inform new members that correspondence regarding the pool will be predominantly sent via electronic methods.
- (g) It is each member's responsibility to keep the secretary up-to-date on changes in email address, address and phone.

Section 5: The Treasurer shall:

- (a) Receive all moneys from the Financial Secretary and deposit same in such banks or others places of deposit as may be approved by the Board of Directors.
- (b) Make and keep records of all funds deposited by the Financial Secretary, considering all such funds as income; and all disbursements of the corporation.
- (c) Pay service charges on bank accounts and deposits as deemed proper.
- (d) With one other authorized officer, sign all checks and make all proper disbursements. The Treasurer may appoint in writing the second authorized officer to sign in his absence.
- (e) With the approval of President, advance funds to any other officer, director or committee chairman who is

required to expend cash for corporate purposes, upon receipt of a signed voucher therefore, and shall require an accounting from the person so receiving such funds.

(f) Perform such other functions as may be required by the Board of Directors.

Section 6: The Financial Secretary shall:

- (a) Be responsible for the receipt of all moneys due the corporation and shall deposit the same with the Treasurer.
- (b) Issue membership cards or certificates and give receipts for all monies received.
- (c) Keep records of all funds received, and deposited to the Treasurer.
- (d) Maintain a record of all the membership of the corporation including names and addresses of members and such other data concerning admission to or termination of membership in the corporation as he may deem appropriate or as may be required by the Board of Directors.

Section 7: The records maintained by the Secretary, the Treasurer, and the Financial Secretary shall be audited by the Finance Committee or an Auditing Committee appointed by the President prior to the Annual Meeting in September of each year and a report of the audit given at the annual meeting.

ARTICLE III: Committees

Section 1: There shall be four standing committees of the Corporation to wit: A Finance Committee, an Operations Committee, a Membership Committee, and a Planning and Improvements Committee.

Section 2: The Finance Committee, consisting of a chairman and two other members of the corporation shall:

- (a) Prepare and submit to the Board of Directors before the February Meeting of the General Membership, a proposed budget providing for all anticipated expenditures of the Corporation for the succeeding year.
- (b) Make recommendations to the Board of Directors on matters of fiscal policy.
- (c) Perform such other functions as may be assigned by the Board of Directors.

Section 3: The Operations Committee, consisting of a chairman and four other members of the Corporation, shall:

- (a) Make such expenditures as may be necessary for the normal operation of corporate activities and as authorized in the Annual Budget.
- (b) Do all things necessary for the safe and proper maintenance and operation of corporate property, facilities, and equipment and make recommendations to the Board for necessary expenditures.

ARTICLE IV: Membership, Fees and Dues

Section 1: Membership in the Corporation shall be open to those applicants whose applications for the same shall be approved by the Board of Directors.

Section 2: FAMILY DEFINITION: Membership applications, cards, and/or certificates shall be issued in the name of the head of the household of the member family group. Only members residing under one roof may be included as part of the "member family."

Section 3: FEE SCHEDULE: Membership bond shall be fixed at the level of \$600 per member effective 1 June 1975. Yearly membership dues shall be in the amount approved by the membership as a part of the approval of the annual budget presented by the Board of Directors in accordance with Article I Section 9. In addition, the Board of Directors will administer and stipulate the conditions of partial or term

payments of membership bond and yearly membership dues as it may from time to time deem appropriate in individual cases. However, term payments of the membership bond shall be limited to three years except in extraordinary circumstances approved by the Board of Directors.

- Section 4: **CAPACITY:** Total membership of this Corporation shall not exceed 145 members. When the total membership of the Corporation is filled, a list of those persons desiring membership will be tallied by the Secretary of the Corporation with priority granted in order of the dates the applications are received. Only those persons on the membership waiting list will be given consideration when membership is opened.
- Section 5: **TERMINATION:** When a member terminates his membership and desires the Corporation to do so, the Corporation shall refund to him the current membership bond less any amount of annual dues, fines, fees and other charges in arrears at the time such termination of membership is requested. Termination of membership shall not be effective unless and until a written notice thereof is delivered to the Financial Secretary stating the date such termination is requested. The Board of Directors may, in its discretion, withhold payment of any refund until such time as a replacement has been found for the terminated membership. No person shall be entitled to the rights set forth in this section, until he pays his membership bond in full; and no person except a member who has paid the membership bond in full shall be entitled to any refund whatsoever.
- Section 6: **MEMBERSHIP BOND TRANSFERS:** When a member in good standing desires to terminate membership the member has the right to sell the membership bond. The member must submit in writing the new members identifying information. The new member is responsible for resulting annual membership dues.
- Section 7: **DUE DATES FOR DUES:** Membership dues may be paid in two installments: by 15 March and by 15 May. Final payment for the total amount of annual membership dues are to be paid no later than 15 May. Late assessments begin on 16 May.
- Section 8: **NONPAYMENT OF DUES:** No member or applicant whose first installment of one-half of the annual dues has not been paid by the 15th day of March shall be entitled to use the corporate facilities until he shall have paid such installment plus the penalties for delinquency hereinafter prescribed. The second installment of the balance of the annual dues shall be due 15 May plus the penalties for delinquency hereinafter prescribed. The Board of Directors, in its discretion, may suspend or terminate the membership or privileges of any member, or the privileges of any applicant, who fails to pay his annual dues by the 15th of May. Any member terminated shall forfeit all rights of membership including any right to receive a refund under Section 5 of these By-Laws and any right to sell his membership under Section 6 of these By-Laws, unless he pays his annual dues plus any penalties for delinquency prior to approval by the Board of Directors of a replacement for the terminated membership.
- Section 9: **LATE FEES:** In addition to the suspension of the privileges of membership, the penalty for non-payment of dues after the due date thereof shall be a charge of ten percent per month of the amount of arrears. The total amount of such penalty charges shall in no event exceed the amount of dues in arrears.
- Section 10: The Board of Directors shall not approve a transfer of membership, by sale or lease, until all dues and penalties have been paid in full, and there is tendered an amount sufficient to cover all costs imposed upon the transfer of such membership.
- Section 11: Any member of a family group convicted of trespassing or vandalism of Southdown Country Club, Inc., property shall be subject to review by the Board of Directors for cancellation or suspension of membership without refund or recourse.
- Section 12: **BONDS:** A person shall not be or become a member, without paying the current membership bond in full. A person who has applied for membership and is making term payments of the membership bond shall have the same rights as members to use the corporate facilities, subject to these By-Laws and the rules and regulations established by the Board of Directors, but no such person shall have the right to

- vote or any other rights of membership until he has paid membership bond in full.
- Section 13: CHARTER MEMBERS: Those persons who have subscribed to membership and paid all fees prior to January 1968 shall be Charter Members. Annual dues of Charter Members shall be equal to 50 percent of the annual Membership Dues.
- Section 14: TENURED MEMBERS: Those persons who have subscribed to membership and paid all fees for fifteen (15) years shall be tenured members. Tenured members may receive a discounted annual membership dues rate subject to fee schedules set by the Board according to Article IV, Section 3.
- Section 15: INACTIVE members: Bonded members may request in writing that their membership be placed on inactive status for the upcoming season. Written requests for inactive status must be received by the 1st day of February. The inactive request is valid for one year only. The Board of Directors may assign a fee of no more than 10 percent of the annual membership dues to members on inactive status. Not requesting inactive status, or the non-payment of the inactive fee will result in a lapse of membership and forfeiture of member bond and any other refunds. The Board, at its discretion, may waive the fee for members suffering financial hardship. Requests for a “financial hardship” waiver must be submitted in writing at the time of the request for inactive status.
- Section 16: UNAUTHORIZED USE OF FACILITY: Individuals covered under a membership that is inactive or that owes membership dues and/or fees (excluding term bond payments) will not be permitted to use the facility until such time as the member returns to active status and dues and fees are paid in full, including as a guest of a member in good standing.
- Section 17: Bonds are transferable. Membership dues are neither transferable nor refundable.
- Section 18: SPECIAL ASSESSMENTS. The board may assess special assessments over and above the regular membership fee to cover the cost of repairs and other non-budgeted expenses. Special assessments will be made public to the membership and voted on in the same fashion as required under Article V, Section 5.

ARTICLE V: Meetings and Voting

- Section 1: The Annual Meeting of the members of the Corporation shall be at the end of the season. The budget and reports meeting of the members of the Corporation shall be held during the month of February of each year.
- Section 2: Special meetings of the members of the Corporation may be called by the President of the Board of Directors. The President, or in his absence the Vice President, shall call a special meeting when requested in writing to do so by twenty (20) or more members.
- Section 3: Meetings of the Corporation shall be held at such places and at such times as may be designated in the call or notice thereof.
- Section 4: Email notice of every meeting of the members of the corporation shall be given to each member of record entitled to vote at such meeting at least fourteen (14) days prior to the date set thereof.
- Section 5: Notice of every meeting of the members of the corporation shall be given to each member of record entitled to vote at such meeting at least seven (7) days prior to the date set thereof.
- Section 6: At any meeting of the General Membership, a quorum shall consist of one-tenth of the members entitled to vote at such meeting, and no business shall be transacted at any meeting at which a quorum is not present. A simple majority of the members present shall be necessary to pass any motion presented for action.
- Section 7: At any meeting of the General Membership any entitled to vote may request that the books and records of the Corporation be produced for the purpose of determining the status of any member and his eligibility to vote.
- Section 8: Each member of record shall be entitled to one vote, which may be cast by any adult member of his family group. There shall be no

voting by proxy at any meeting.

Section 9: The rules contained in Roberts' Rules of Order shall govern whenever applicable, except when inconsistent with the By-laws.

Section 10: QUORUM: If a quorum is not reached at either of the two annual general membership meetings (end of the season and February), the Board of Directors may use email to poll the membership for a decision. After two attempts to schedule a meeting that does not attain a quorum, the board may also call a third meeting and may issue binding decisions in the absence of a quorum.

Section 11: ELECTRONIC VOTING: Membership action on any matter, including but not limited to elections and bylaw amendments, may be conducted by email. A ballot and explanatory information must be sent to each member eligible to vote at their email address of record, or equally expeditious means.

ARTICLE VI: Guests

Section 1: The Board of Directors may establish rules, regulations and schedules governing the allowable number of guests, the fees to be charged thereof, and the dates and frequency of their admission for day to day guest activities as well as pre-arranged swimming parties and may admit visitors without charge, as guests of the Corporation.

ARTICLE VII: MISCELLANEOUS

Section 1: The Board of Directors shall be responsible for establishing rules, regulations, and swimming tests for the admittance of children of members or guests.

Section 2: Subject to all applicable laws, ordinances and legal restrictions, the Board of Directors shall establish rules governing the sale, possession and consumption of alcoholic beverages on corporate property.

ARTICLE VIII: ADOPTION & AMENDMENT OF BY-LAWS

Section 1: These By-laws shall become effective when adopted by a two-thirds majority of the members of the Corporation entitled to vote upon their adoption and present at a duly organized meeting called for that purpose.

Section 2: The By-laws may be amended by a two-thirds majority at a general membership meeting, or submitting a vote in response to an email/electronic ballot.

Section 3: Members shall be given fourteen (14) days notice via email of any intended amendment to the By-laws. The return date for votes on proposals sent by email will be no less than fourteen (14) days after the proposal was sent, unless a majority of the Board's total membership determines that an emergency warrants a shorter period of time.