

BYLAWS

POKEGAMA LAKE ASSOCIATION OF PINE COUNTY PINE COUNTY, MN (A Non-Profit corporation)

ARTICLE I

Name

The name of the corporation is Pokegama Lake Association of Pine County
Hereinafter referred to as the "Association".

ARTICLE II

PURPOSE AND OBJECTIVE

Section 1. The Association is formed exclusively for charitable, religious, scientific, testing for public safety, literary or educational purposes as appropriate for organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 and its regulations as they now exist or as they hereafter may be amended. Such purposes shall include, but not be limited to, the promotion and improvement of the understanding and comprehensive management of Pokegama Lake of Pine County and its watershed for public use. The objectives of the Association shall include, but not be limited to, clean water, recreation, improving fishing, education, local community support, flood mitigation, working with government agencies and member social activities.

Section 2. For the above purposes, and not otherwise, this Association shall have and exercise only such powers as are required by and are consistent with the foregoing purposes, including the power to acquire and received funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, grant, bequest, legacy, devise or otherwise and whether in trust or otherwise, and to own, hold, expend, make gifts, grants and contributions of and to convey, transfer, and dispose of any funds and property and the income there from in furtherance of the purpose of this corporation herein above set forth, or any of them and to lease, mortgage, encumber and to use the same, and such other powers that are consistent with the forgoing purposes and that are afforded to this Association by the Minnesota Nonprofit Corporation Act and by any future laws amendatory thereof and supplementary hereto.

Section 3. The Association shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1954 and its regulations as they now exist or as they may be hereafter amended.

Section 4. All references in the Articles of Incorporation and these bylaws to a particular section of the Internal Revenue Code of 1954 shall mean and include, as now enacted or as hereinafter amended, such sections and any provisions of federal law as is or may hereafter is applicable, cognate to such section.

Section 5. No part of the net earnings of the Association shall insure to the benefit of any one member, Director, officer of the Association or any private individual (except that reasonable compensation may be paid for services rendered for the Association affecting one or more of its purposes), and no member, Director, officer of the Association or any private individual shall be entitled to share in the distribution of any corporate assets on dissolution of the Association.

Section 6. Dissolution Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE III DIRECTORS

Section 1. NUMBER. A Board of Directors shall manage the affairs of the Association. The number of Directors comprising the Board of Directors shall be a maximum of twelve (12), but never less than three (3) members.

Section 2. TERM OF OFFICE. Each Board of Director shall be elected for a three (3) year term with one-third of the Directors elected at the annual meeting of the membership in August of each year. Each Board Director shall serve no more than two (2) full consecutive terms. A Board Director may be elected again to the Board of Directors after an absence from the Board of Directors for a minimum of a one (1) year period.

Section 3. REMOVAL. Any Director with three (3) consecutive unexcused absences from scheduled meetings of the Board shall be brought to the attention of the Board of Directors and appropriate action taken. Any Director can be removed from office with unstated cause by vote of a majority of Directors at a duly held meeting of the Board of Directors at which a quorum is present. A Director so removed may petition the membership for reinstatement by vote of the members at the next regular meeting of the members. A majority vote of the members, if a quorum is present, to reinstate the Director shall prevail over the action of the Board of Directors to remove the Director. In the event of death, resignation or removal of a Director, the successor shall be appointed by the remaining members of the Board of Directors and shall serve out the remaining term of the removed Director. Any Director so appointed shall be eligible to be elected in his/her own right to two (2) consecutive terms.

Section 4. ANNUAL MEETING. The annual meeting of the Board of Directors for the election of officers and for the transaction of such other business as may properly come before the meeting shall be held at the September meeting each year. In the interim between the election of Board of Director members at the annual meeting of the membership in August and the election of officers in September, the officers duly elected by the Board of Directors in the previous year shall continue to perform their duties until re-elected or replaced by the board at the September meeting each year.

Section 5. POWERS. The Board of Directors has unlimited power to appoint consultants, advisory committees, trustees, and/or ex-officio members to serve in any capacity that is consistent with the purposes of the Association.

ARTICLE IV NOMINATION AND ELECTION OF DIRECTORS

Section 1. ELIGIBILITY. To be eligible for election to the Board of Directors, a person must be a member of the Association for the previous year. It is strongly recommended that any member interested in serving on the Board of Directors have attended at least three (3) General membership meetings during the previous year. Eligible members must be available to serve either in person or by electronic means year-round.

Section 2. NOMINATIONS. Nominations for election to the Board of Directors shall be made by any member of the Association before or at the annual meeting of the membership, in August of each year. At the August meeting, the President shall call for nominations from the floor three (3) times, and thereafter shall close the nominations.

Section 3. ELECTION. Election of the Board of Directors shall be by a majority vote of the members present at the annual meeting and shall be by written secret ballot. In the event more than four (4) Directors need to be elected, due to death, resignation or removal of a Director, the nominee receiving the least member of votes of those elected will serve out the remaining term of the appointed Director.

ARTICLE V MEETING OF THE DIRECTORS

Section 1. REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held in January, April, July and September, unless other notice has been published in the Pokegama Lake Association Newsletter.

Section 2. SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by any two Directors, for, and limited to, a specific purpose only and all Directors shall be notified by telephone, email, or letter.

Section 3. QUORUM. A quorum shall be greater than fifty percent of the number of Directors for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board of Directors.

Section 4. ATTENDANCE. Members of the Association may attend any of the meetings of the Board of Directors. Attendance at Board of Directors meetings by non-members of the Association or by consultants and employees shall be at the invitation of the Board of Directors and only for specific meeting agenda items. The Board of Director meetings are held in a public setting, but such meetings are not public meetings. Attendance by members not on the Board of Directors does not provide for participation in discussion and acts of the Board of Directors.

Section 5. ELECTRONIC COMMUNICATION. In the event electronic communication to absentee Director(s) is required to constitute a quorum for a Board of Directors meeting, one Director will be designated by the President to contact, or attempt to contact, each absentee Director and report back to the Board as to the decision(s) of the absentee Director(s). Successful contact with enough absentee Directors to constitute a quorum is required, although efforts must be made to contact every absentee Director. Participation in a meeting by that means constitutes presence in person at the meeting. A Director may also participate in a Board of Directors meeting not describe above by any means of communication through which the Director, other Directors so participating, and all Directors physically present at the meeting, may simultaneously hear each other or see what each other is saying during the meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

ARTICLE VI DUTIES OF THE BOARD OF DIRECTORS

Section 1. DUTIES OF THE BOARD OF DIRECTORS It shall be the duty of the Board of Directors to:

- a) Establish policies to govern the operations of the Association.
- b) Cause to be kept a complete record of all its acts and corporate affairs.
- c) Develop and approve a budget for the Association in January of each year.
- d) Retain an Independent Auditor for the annual Association audit
- e) Supervise all officers, consultants, and employees of the Association, and to see that their duties are properly performed.
- f) Establish and oversee Committees of the Board to assure functions and duties are properly performed.

Established Committees are:

- Gambling Audit Committee
- Donations Committee
- Membership Engagement Committee

Other Committees may be established by the Board to further the Mission and work of the Association and may not be listed above.

- g) Offer advice to the President on any and all appointments.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. ENUMERATION OF OFFICERS. The officers of the Association shall be President, Vice-President, Secretary and Treasurer and such officers as the Board may from time to time create by resolution.

Section 2. ELECTION OF OFFICERS. The first item of business at the annual meeting of the Board of Directors in September of each year shall be for the Board of Directors to elect officers.

Section 3. RESIGNATION AND REMOVAL. Any officer may be removed from office with or without cause by majority vote of the Board of Directors. Any officer may resign by giving written notice to the Association. The resignation is effective without acceptance when the notice is given to the Association, unless a later effective date is named in the notice.

Section 4. TERM. The officers of the Association shall be elected annually and each shall hold office for one (1) year unless he/she shall sooner resign, is removed or otherwise becomes disqualified to serve.

Section 5. VACANCIES. A vacancy in any office may be filled by election by the Board of Directors from among its members. The officer elected to fill such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 6. DUTIES. The duties of the officers are as follows;

a) President. The President shall:

- Preside at all meetings of the Board of Directors
- Preside at all meetings of the members;
- See that orders and resolutions of the Board of Directors are carried out;
- Be responsible for Charitable Gambling operation of the Association, as regulated by the State of Minnesota;
- Appoint the Gambling Manager, Assistant Gambling Manager and Gambling Accountant, subject to the approval of the Board of Directors;
- Appoint all Chairs of Committees of the Association subject to the approval of the Board of Directors; and
- Speak publicly for the Association to the media as appropriate.

b) VICE-PRESIDENT. The Vice President shall:

- Act in the place and stead of the President in the event of his or her absence, inability, or refusal to act; and
- Exercise and discharge such other duties as may be required of him or her by the Board of Directors.

c) SECRETARY. The Secretary shall:

- Record the votes and keep the minutes of all the meetings and proceedings of the Board of Directors;
- Record the votes and keep the minutes of all the meetings of the members; and
- Handle correspondence and keep appropriate records of the Association.

d) TREASURER. The Treasurer or other person designated by the Board of Directors, shall:

- Receive and have deposited in appropriate bank accounts all monies of the Association with exception of Charitable Gambling Funds;
- Disburse such funds as directed by resolution of the Board of Directors;
- Sign all checks and promissory notes of the Association, along with other persons authorized to sign check and notes by resolution of the Board of Directors;
- Cause the annual budget as developed by the Board of Directors to be presented to the membership at the January regular meeting, and a statement of income and expenses to be presented to the membership at regular meetings; and
- Cooperate each year with the Independent Auditor retained by the Board of Directors. The Independent Auditor shall complete an audit of the books and records of the Association no later than one week prior to the Annual Membership meeting. The Independent Auditor's Report shall be presented to the membership by the President.

ARTICLE VIII MEMBERSHIP

Section 1. MEMBERS. The membership of the Association shall consist of and be open to all individuals, institutions and organizations whose interest are consistent with the purpose and objectives of the Association

Section 2. DUES. Members are defined as members whose annual dues are paid up. Dues are due and payable January 1 of each year or on an annual basis. Dues paid October 1 and after may be applied to the

following year. The Board of Directors shall set the amount of annual dues from time to time by resolution.

Section 3. ANNUAL MEETING. An annual meeting of the members shall be held the third Saturday of August each year at a time set by the Board of Directors, said time to be published in the Association Newsletter prior to the meeting. No notice of annual meeting shall be required other than publication in the Association Newsletter.

Section 4. PURPOSE OF ANNUAL MEETING. At the annual meeting of the members, the members shall elect from the membership, persons to the Board of Directors to fill the seats of those whose term has expired. The members shall also act on such other matters as the Board of Directors shall bring before them.

Section 5. SPECIAL MEETINGS. Special meetings of the members may be called by any two (2) officers, by a majority of the remaining members of the Board of Directors who are not officers, or by a petition signed by at least ten (10) percent of the members. Written notice shall be given to all members at least five (5) days prior to the meeting by email. The notice shall state the time, place and specific purpose(s) of the meeting.

Section 6. REGULAR MEETINGS.

- a) Regular meetings of the membership shall be held at a time and date designated by the Board of Directors on the third Saturday of each month. Said time shall be published in the Association Newsletter prior to the meeting. No notice of regular meetings shall be required other than publication in the Association Newsletter.
- b) Regular meetings shall be primarily for:
 - Board of Directors report by the President or designee;
 - Association financial report for the past month and year to-date
 - Association Committee reports;
 - public information for members;
 - action on such matters pertaining to the Charitable Gambling operations as shall come before the membership;
 - Action on Donation Committee recommendations.

Section 7. QUORUM. A quorum shall be fifteen (15) members. Every act or decision done or made by the majority of members present at a duly held meeting at which a quorum is present shall be the act of the membership.

Section 7: Roberts Rules of Order. All meetings are to be conducted pursuant to Robert's Rules of Order.

Section 8. LIMITATIONS.

- a) No member, Director or officer other than the President may speak in an official position on behalf of the Association.
- b) No member, Director, or Officer may commit the Association to any position or expenditure of funds without the express prior approval of the Board of Directors.
- c) Members do not vote on orders and resolutions of the Board of Director

ARTICLE IX
FINANCIALS

Section 1. The Association shall have a detailed Annual Budget, reviewed and approved by the Board of Directors at the January Meeting of the Board of Directors.

Section 2. A financial report shall be provided to the membership at each member monthly meeting.

Section 3. Spending or committing of Association funds must have advance approval of the Board of Directors, except as herein described.

- a) In cases of short term or emergency situations, the President shall have the authority for approval of purchases up to a maximum of \$1,000 per purchase. Board of Directors shall review such short-term approvals at the next meeting.
- b) Any member making an unauthorized unbudgeted purchase shall be responsible for the amount of the purchase, unless the Board of Directors approves such expenditures at a Board of Directors meeting.

Section 4. Any loans in the name of the Association shall be approved by the Board of Directors for membership review and vote at a membership meeting, and voted on by the membership.

Section 5. The Treasurer shall maintain a balance of \$5,000 in the Association's general savings account to be used for Association expenses if necessary.

Section 6. Donations made by the Association may be made to a specific group or organization. In case of hardship or disaster, donations may be made to an individual. Requesters of donations must fully complete a Donations Request Form and such requests shall be reviewed by the Donations Committee as described in Article X below.

ARTICLE X
CHARITABLE GAMBLING

Section 1. The president shall appoint a Gambling Audit Committee each year, consisting of at least five (5) but no more than eight (8) members.

Section 2. The Gambling Audit Committee shall oversee the operations and finances of charitable gambling and shall assure that all applicable State statutes, regulations, and procedures are followed, including, but not limited to monthly, quarterly, and annual reporting, annual audit, and effective management of gambling funds, assets, and materials.

Section 3. The Gambling Audit Committee will collaborate with the Gambling Manager on sites, salaries, rents, expenses etc. to most effectively and efficiently manage the gambling operations and relationships with gambling site partners.

Section 4. The Gambling Manager, Gambling Accountant, and Association Treasurer shall be three (3) separate individuals. If the Gambling Manager is unable to fulfill the duties and responsibilities of the position, the Assistant Gambling Manager will immediately take over on a temporary basis pending the hiring/appointment of a permanent Gambling Manager.

Section 5. The Gambling Accountant and the Treasurer shall be two (2) separate individuals.

Section 6. The Donations Committee shall make donation recommendations to the membership at the monthly membership meetings, based on a completed PLA Donation Request Form, review and approval by a quorum of the Donations Committee, and submittal to members for consideration and action.

ARTICLE XI
CORPORATE SEAL

Section 1. The corporation shall not have a seal.

ARTICLE XII
INSURANCE AND INDEMNIFICATION OF AND ADVANCES TO CERTAIN PERSON

Section 1. INSURANCE. At the discretion of the Board of Directors, the Board of Directors shall insure the Directors and officers of the Association in the manner and to the full extent of the law through both Directors and Officers (D&O) and Error and Omissions (E&O) insurance coverage.

Section 2. INDEMNIFICATION AND ADVANCES TO CERTAIN PERSONS. Minnesota statutes 317SA.521 (1990), a copy of which is attached hereto and incorporated herein as Exhibit A, is controlling of and advances made or threatened to be made a party to a proceeding by reason of the person's former or present official capacity. Additional Prohibitions, limits or conditions on indemnification or advances of expenses in addition to the conditions contained in subdivisions 2 and 3 of Minnesota Statutes 317A.521 are as follows: The Association will indemnify and make advances only to members of its Board of Directors.

ARTICLE XIII
AMDENDMENTS

Section 1. AMENDMENTS. Every proposed alteration, amendment, addition or deletion to the by-laws or rules of order hereunto annexed, must be submitted to the President in writing. The proposed changes to the by-laws and the proposed date of consideration will be published to the membership after approval by the Board of Directors.

Section 2. ADOPTION. These by-laws may be altered, amended, or repealed, and the Board of Directors may adopt new by-laws at any regular or special meetings of the Board of Directors.

Section 3. APPROVAL. Any changes to the by-laws approved and adopted by the Board of Directors shall be presented to the membership for their approval and adoption at the next membership meeting. Approval shall be by two-thirds (2/3) vote of the members present.

These by-laws when duly adopted by the Board of Directors and the general membership and signed by the President and Secretary shall supersede any previous by-laws that may have been in use.

Duly adopted by the Board of Directors on the _____ day of _____, 2020

Duly adopted by the Membership on the _____ day of _____, 2020

President

Secretary