

Minutes for IBIC Annual Membership Meeting - August 23, 2020

Trustees Present: Don Lantz, Susan Hancock, Catherine Freeman, Colleen Vlahovich, Dionne Deschenne, Sonja Selboe, Paul Larson, Bob Kernaghan, Karen Kinnaird, Sarah Runnels. **Trustees Absent:** Dave McIlvena

Guests Present: Candidates Kim Hatchel, Greg Trueb, Ted Schmid Joni Landeen, Russ Sciandra, and about 12 other guests

Call to order – Meeting called to order by Don Lantz at 4:02 PM. Meeting conducted via video conference.

Committee Reports – Committee Chairs reviewed the year's activities:

Finance – Paul Larson explained that the IBIC reserves \$100,000.00 for emergencies in its Money Market fund and, as of the end of July, the remainder of \$13,520.00 is used for projects and capital improvements. The operating funds checking account balance at the end of July is \$46,197.00. He explained that every fall the Board works on developing a budget for the year but because of COVID-19, the budget needed to be revised. The revision was done last month. Paul presented a graph which showed that the budget dropped about \$25,000 this year in income and expenses, but the budget is balanced and he feels the IBIC is in good financial shape.

Membership – Catherine Freeman reported that there are 509 memberships which is an increase of about 20 memberships over last year. Amounts received for dues and donations were up as well. Catherine presented a graph which showed membership categories at: Household 37%, Sponsoring 33%, Individual 17%, and Family 13%. Another graph compared 2019 membership dues and donation figures to 2020 figures: 2019 dues at \$30,900 and donations \$9,367; with 2020 dues at \$31,795 and donations \$15,310 – donations being considerably higher in 2020.

Properties – Bob Kernaghan reported on the projects he and his crew were able to finish this year. They included 110 treads replaced on Big Rock stairs and power washing with some maintenance of Enschede's stairs. Materials for Big Rock stairs were ordered in February but, because of COVID-19, work didn't begin until June and was completed in August. All other projects including refurbishing the King/Duncan stairs and the Clubhouse playground were put on hold due to COVID-19.

Security – Don Lantz and Colleen Vlahovich. Don gave an overview of the activity at the Pavilion and upland properties. Surveillance cameras show that young people are still using the Pavilion after dark. He noted that they are respectful of the property so have been left alone. Colleen's big concern is that Indianola's beach stays a safe place. She noted that having the off-duty Sheriff's deputies come last year made a difference in slowing speeders. This year, because of COVID-19, they are unavailable.

Merchandise – Colleen Vlahovich. The Garage Store has been open every Saturday and volunteers are following health guidelines. The average Saturday brings in around \$300. The credit card machine is working now and Colleen is considering opening the garage on a weekday to help boost sales.

Clubhouse Rentals – Sarah Runnels (for Judy Drew, Chair). Since last September there have been nine Clubhouse rentals: four full-pay totaling \$2,700, two fundraisers totaling \$357 plus one reduced price fee of \$125. There was a memorial and a community event, each paying the \$125 cleaning fee, and the Quilters rental at \$2,573. Five events were cancelled due to COVID-19 with refunds totaling \$1,500. In 2021 two events are booked including the Quilters in February. The other is in July. All weekly events – Bridge Club, Tai Chi, Girl Scouts, Garden Club and Library – ended in March due to COVID-19 restrictions. The Clubhouse was COVID cleaned and sanitized on March 23. The Library is the only activity that has resumed, and masks, hand sanitizer and social distancing protocols are being followed.

Bylaw Report – Dionne Deschenne gave a synopsis of the process for revising the IBIC's bylaws including using the Washington State Non Profit suggested bylaws and adding an indemnification clause. She reviewed how the committee presented the bylaws to the community for comments or changes. None were received prior to the ballot being sent out. The Board then put the bylaws on the ballot to be voted on by the membership and the measure did pass. One section has since been identified as problematic and will be discussed and a revision will be proposed in the near future.

Recognition of Volunteers – The Board felt that we have so many wonderful people who volunteer for the IBIC and take care of the beach that they decided to suspend the Man and Woman of the Year Awards this year and recognize all who help make Indianola beautiful. Many Trustees made mention of their nominees which included: Bob Kernaghan for the four years he spent maintaining the properties; Mike Dillon for maintaining the Mutt Mitt program and emptying the garbage cans; Joann Merrill and the Breeze mailing crew for preparing the Breeze for the mail; Kathy Dickerson for the

Breeze Almanac; Don and Ann Lantz and Tate Merrill for keeping the Bud Merrill Pavilion beautiful; Patty Desmond, Darren Chernick and John Lane for picking up litter on the beach; Catherine Freeman and Mary Catherine Kolb for taking care of the IBIC membership records; Don for his work as president; Art Langlie (as Santa), Travis Moore and his family and Terry and Connie Reckord for helping with the Christmas party; and Sarah Runnels for her work as Secretary.

Election of Susan Hancock as President – Don Lantz. The President's office is uncontested and Susan Hancock offered to fill that position next year. Her name for president was published in the August Breeze so Don led those in attendance to vote and she was elected by acclamation. With no objections, Susan was elected to be the next IBIC President.

Election Results of Trustees – Process explained and results announced:

Election Process – Sarah Runnels explained that because of COVID-19, the IBIC chose to make absentee ballots the only method of voting this year. The ballots were inserted into the Breeze and Catherine Freeman independently validated all ballots. There was a crew of four to tally the ballots in the Clubhouse. They were Kathy Caldwell, Judy Drew, Brenda Morrow and Ann Lantz.

Quorum Met – The Quorum of 10% was met for this election with total Membership at 870 possible voters and 245 ballots having been received (28% voted).

Election of Trustees Announced – Don Lantz announced the four candidates who received the most votes and who will be filling the 3-year term trustee positions. They were Ted Schmid, Joni Landeen, Russ Sciandra and Greg Trueb. Fifth candidate Kim Hatchel will be among those voted on in the September Board meeting to potentially fill one of the two partial-term positions that are vacant. The newly elected trustees were given a moment each to introduce themselves and speak.

Bylaws Results – Don Lantz. The Revised Bylaws passed with 201 votes FOR and 21 votes AGAINST (91% approval). Don again mentioned that there would be some small proposed changes to these bylaws coming soon.

President's Closing Remarks – Don Lantz thanked the outgoing trustees for their hard work: Dionne for her work on the Bylaws and the Breeze; Catherine for overseeing the membership duties and Indianola Days; Sarah for keeping things running smoothly; Paul for working on the finances and budget; and Bob for all his work on the properties. Don concluded by stating that because of COVID-19, we missed out on almost all our great activities and we look forward to the day when we can gather again to celebrate.

Meeting Adjourned at 4:44 PM
Submitted by Sarah Runnels, Secretary

Newly Revised Bylaws Follow:

**BYLAWS OF
INDIANOLA BEACH IMPROVEMENT CLUB (IBIC)
A 501(c)(3) CORPORATION
(As revised August 23, 2020)**

Mission

The Indianola Beach Improvement Club’s mission is to foster a sense of community responsibility, maintain our properties for community use, and support non-profit and charitable organizations, all for the benefit of present and future generations.

Definitions for purposes of these Bylaws

The term “IBIC” or “corporation” shall mean Indianola Beach Improvement Club. The term “Board” shall mean Board of Trustees. The term “Trustee” is defined as one of the twelve members of the Board of Trustees.

ARTICLE 1. OFFICES AND ORGANIZATION

1.1 Offices

The principal office of the corporation shall be located at its principal place of business or such other place as the Board may designate. The corporation may have such other offices, either within or without the State of Washington, the state in which it is registered, as the Board may designate or as the business of the corporation may require from time to time.

1.2 Organization

1.2.1 This corporation is organized exclusively for charitable purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue law).

1.2.2 No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its Members, Trustees, Officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the above paragraph. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section

170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

1.2.3 Upon the dissolution of the corporation, the Board shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, education, religious or scientific purposes, and/or a municipal corporation or government entity which shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) as the Board shall determine. Any such assets not so disposed of shall be disposed of by the superior court 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 such court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE 2. MEMBERSHIP AND MEETINGS

2.1 Classes of Members

2.1.1 Classes of membership for adults eighteen (18) years or older shall be as follows: (1) Individual adult membership; (2) Household membership consisting of two adults residing in the same household; (3) Family membership consisting of up to two adults with children under the age of eighteen (18); (4) Sponsoring membership consisting of any of the above memberships paying membership dues beyond the required amount set annually by the Board; (5) Honorary memberships may be granted on a yearly basis only, without dues, by a vote of the Board; (6) Special membership, which may be issued to persons with limited income with the approval of the President, Vice President, Secretary, and Treasurer of the IBIC.

2.1.2 The Board from time to time may establish additional classes of memberships. Dues shall be determined yearly by the Board at any Board of Trustees meeting prior to the beginning of the fiscal year in which the dues will take effect. The dues determined by the Board will be printed on the yearly membership application form. Membership dues are due and payable at the beginning of each fiscal year.

2.2 Qualifications for Membership

2.2.1 Any property owner, resident or former resident of Indianola may become a member of the IBIC by payment of dues and agreeing to conform to the bylaws, rules and regulations of the corporation. Any other interested person may also become a member upon the same terms upon application to and acceptance by the Board. If any bylaw amendment is adopted that would alter the membership of an existing member, those who are members at the time of adoption of that bylaw amendment may remain members and retain all of the benefits of

their membership until the end of the current membership term, at which time the bylaw amendment will either terminate or alter their membership.

2.2.2 Indianola is an unincorporated community whose generally accepted location and boundaries are as follows:

All of Sections 14 and 15, the southwest $\frac{1}{4}$ of Section 11, the south $\frac{1}{2}$ of Section 10, the northeast $\frac{1}{4}$ of Section 16, and the southeast $\frac{1}{4}$ of Section 9, all in Township 26, Range 2 East, Kitsap County, Washington; also including all of the sandspit of the Indian Bay Development. See addendum for IBIC Boundaries Map.

2.2.3 Membership shall be terminated by death, resignation, non-payment of dues or charges, or by action of the Board for cause.

2.3 Voting Rights

2.3.1 Each adult possessing an Individual, Special, or Honorary membership, and each adult possessing a Household, Family, or Sponsoring membership (maximum of two adults per membership class as outlined in Article 2.1.1) shall be entitled to one vote on matters of corporate business, except as provided below.

2.3.2 Each member entitled to vote at an election of Trustees may cast one vote for as many persons as there are Trustees to be elected.

2.3.3 All votes on matters coming before the corporation must be made either in person or by written proxy or written absentee ballot.

2.3.4 Only members who are owners of real property in Indianola, as defined in Article 2.2.2, including members who are purchasing such real property on contract, may vote on matters pertaining to the purchase, sale, acquisition, or lease of real property, or pertaining to the borrowing of money by the IBIC.

2.3.5 Decisions on matters submitted to a vote of the membership shall be decided by majority of votes cast, except that no real property shall be purchased, sold, acquired, leased (except with respect to the post office real property which may be leased to the United States Postal Department in accordance with Article 3.1) or the title encumbered in any way, nor shall money be borrowed by the IBIC, unless authorized by a vote of two-thirds ($\frac{2}{3}$) of the members who are property owners, as defined in Article 2.2.2, and present in person or by duly executed written proxy or written absentee ballot at a meeting called for that purpose in accordance with Article 2.4.2.

2.3.6 In years where there are no contested races, and/or no other corporate business requiring a vote, no ballots will be prepared, sent, or counted. A vote to approve the uncontested candidates by acclamation will occur at the annual meeting.

2.4 Annual Meeting of the Membership

2.4.1 There shall be an annual meeting of the membership of the IBIC once per fiscal year at a date and time specified by the Board, with thirty (30) days' notice posted as stated in Article 2.4.2 for the purpose of electing Trustees and transacting such other business as may properly come before the meeting.

2.4.2 A notice of the Annual Meeting and all special meetings shall be posted in a conspicuous location thirty (30) days prior to the meeting. Notice of any meeting to consider the purchase, acquisition, sale or lease or change of title of real property or the borrowing of money by the corporation shall be mailed to all members who are property owners as defined in Article 2.2.2 at their last known address at least ten (10) days prior to the date of the meeting. The President shall be responsible for these notices.

2.5 Special Meetings of the Membership

The President shall call special meetings of the membership when so instructed by the Board or upon request in writing of ten (10) or more members.

2.6 Place of Meetings of the Membership

All meetings of members shall be held at the principal office of the corporation or at such other place within or without the State of Washington designated by the President, the Board, by the members entitled to call a meeting of members, or by a waiver of notice signed by all members entitled to vote at the meeting.

2.7 Notice of Meetings to Members

The President, the Secretary or the Board shall cause to be delivered to each member entitled to notice of or to vote at the meeting, either personally, by mail, or by digital transmission, not less than ten (10) days before the meeting, written notice stating the place, date and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. At any time, upon the written request of not less than ten (10) of the members entitled to vote at the meeting, it shall be the duty of the Secretary to give notice of a special meeting of members to be held at such date, time and place as the Secretary may fix, not less than ten (10) nor more than thirty-five (35) days after receipt of such written request, and if the Secretary shall neglect or refuse to issue such notice, the person or persons making the request may do so and may fix the date, time and place for such meeting. If such notice is mailed, it shall be deemed delivered when deposited in the official government mail properly addressed to the member at his or her address as it appears on the records of the corporation with postage thereon prepaid. Notices by electronic or digital transmission must be delivered in accordance with Article 2.13 of these Bylaws.

2.8 Waiver of Notice by Members

Whenever any notice is required to be given to any member under the provisions of these Bylaws, the Articles of Incorporation or applicable Washington law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

2.9 Quorum

Ten percent (10%) of the members whose dues are paid, present in person or by duly executed written proxy or written absentee ballot, shall constitute a quorum for the transaction of business at any annual or special meeting. If less than a quorum of the members entitled to vote is represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice.

2.10 Manner of Acting of Members

The vote of a majority of the votes entitled to be cast by the members represented, by absentee ballot or in person or by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by applicable Washington law, the Articles of Incorporation, or these Bylaws.

2.11 Proxies

A member may vote by proxy executed in writing by the member or by his or her attorney-in-fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. A proxy shall become invalid eleven months after the date of its execution unless otherwise provided in the proxy. A proxy with respect to a specific meeting shall entitle the holder thereof to vote at any reconvened meeting following adjournment of such meeting but shall not be valid after the final adjournment thereof.

2.12 Action by Members Without a Meeting

Any action that could be taken at a meeting of the members may be taken without a meeting if a written consent setting forth the action so taken is signed by all members entitled to vote with respect to the subject matter thereof. Such written consents may be signed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Any such written consent shall be inserted in the minute book as if it were the minutes of a meeting of the members.

2.13 Electronic and Digital Transmission to Members

The corporation may deliver to a member notices, demands, consents or waivers by electronic or digital transmission, if such member has consented to receive such electronically or digitally transmitted communications. The consent must designate the message format accessible to the member and the address, location or system to which the notices or other document may

be electronically or digitally transmitted. Notice provided in an electronic or digital transmission is effective when it: (a) is electronically or digitally transmitted to an address, location, or system designated by the recipient for that purpose, and is made pursuant to the consent provided by the recipient; or (b) has been posted on an electronic or digital network and a separate record of the posting has been delivered to the recipient together with comprehensible instructions regarding how to obtain access to the posting on the electronic or digital network.

ARTICLE 3. BOARD OF TRUSTEES

3.1 General Powers and Responsibilities of the Board

The affairs of the corporation shall be managed by the Board. The Trustees shall be responsible to the membership for carrying on the business of the corporation. It shall be their duty to care for the property of the corporation and maintain and preserve the best interests of the corporation at all times. The Board may from time to time enter into lease agreements of the post office building with the United States Postal Department without obtaining approval of the membership; otherwise, the Board shall not buy, sell, acquire or lease real property, or encumber the title to the real property of the corporation or make any substantial alterations or additions to real property or borrow money without obtaining the approval of members as provided in Article 2.4.2. The Trustees shall report to the membership all major items of concern and make recommendations as to any action they may deem appropriate.

3.2 Number of Trustees

There shall be a Board of twelve (12) Trustees, their tenure of office to be so arranged that four (4) Trustees shall be elected annually for a three-year term. All Trustees must be members in good standing who paid their dues within the first ninety (90) days of the fiscal year. Not less than one-fourth (1/4) and not more than three-fourths (3/4) of the Board shall be of the same biological sex. The number of Trustees may be changed from time to time by amendment to these Bylaws, provided that no decrease in the number shall have the effect of shortening the term of any incumbent Trustee.

3.3 Qualifications of Candidates

To be eligible for nomination, the candidate must be a current member of the IBIC who paid their dues within the first ninety (90) days of the fiscal year in which they are seeking to be elected. Trustees may have such other qualifications as the Board may prescribe by amendment to these Bylaws.

3.4 Nomination of Candidates

In addition to the candidates proposed by the Nominating Committee (see Article 3.20.1), any member of the IBIC may nominate additional candidates, including their self, for Officer or

Trustee, but such nomination shall be in writing and delivered to the President of the IBIC not less than forty-five (45) days prior to the meeting at which Officers of the corporation are to be elected. It shall be the duty of the President in advance of the annual meeting to give reasonable notice to the membership of the nomination of such additional candidates. The candidates proposed by the Nominating Committee per Article 4.6 and nominations from the membership shall be listed in an edition of the *Indianola Breeze*, or, in its absence, otherwise be made public preceding the annual meeting.

3.5 Election of Trustees and Officers

The election of successor Trustees and Officers shall occur during the annual meeting, and election shall be by the membership at large.

3.6 Trustees' Term of Office

The Trustees shall be elected for three (3) years and shall take office on the first day of the first month succeeding the annual meeting at which they were elected. Unless a Trustee dies, resigns or is removed, he or she shall hold office until the next annual meeting of the Board or until his or her successor is elected and takes office, whichever is later.

3.7 Regular Meetings of the Board of Trustees

Meetings of the Board may be held at any time upon the call of the President or upon written request for such meeting signed by seven (7) Trustees and filed with the Secretary. Each Trustee who is available should be notified of every meeting. By motion, the Board may specify the date, time and place for the holding of regular meetings without other notice than such motion.

3.8 Special Meetings of the Board of Trustees

Special meetings of the Board or any committee designated and appointed by the Board may be called by or at the written request of the President or any two Trustees, or, in the case of a committee meeting, by the chairman of the committee. The person or persons authorized to call special meetings may fix any place either within or without the State of Washington as the place for holding any special Board or committee meeting called by them.

3.9 Meetings by Telephone

Members of the Board or any committee designated by the Board may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

3.10 Place of Meetings of the Board of Trustees

All meetings of the Board shall be held at the principal office of the corporation or at such other place within or without the State of Washington designated by the Board, by any persons entitled to call a meeting or by a waiver of notice signed by all Trustees.

3.11 Notice of Special Meetings of the Board of Trustees

Notice of special Board or committee meetings shall be given to a Trustee in writing or by personal communication with the Trustee ten (10) days before the meeting or by mutual agreement if less than ten (10) days before the meeting. Notices in writing may be delivered or mailed to the Trustee at his or her address shown on the records of the corporation or given by electronic or digital transmission. If notice is delivered by mail, the notice shall be deemed effective when deposited in the official government mail properly addressed with postage thereon prepaid. Notices by electronic or digital transmission must be delivered in accordance with Section 3.22 of these Bylaws.

3.12 Waiver of Notice to Trustees

3.12.1 Waiver in Writing. Whenever any notice is required to be given to any Trustee under the provisions of these Bylaws, the Articles of Incorporation or applicable Washington law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

3.12.2 Waiver by Attendance. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting, except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.13 Quorum for Board of Trustees Meetings

Seven (7) of the Trustees in office shall constitute a quorum for the transaction of business at any Board meeting. No motion before the Board shall be deemed to carry with an affirmative vote of less than a majority of the Trustees present and in no event with less than five (5) affirmative votes. If a quorum is not present at a meeting, a majority of the Trustees present may adjourn the meeting from time to time without further notice.

3.14 Manner of Acting by Trustees

The act of the majority of the Trustees present at a meeting at which there is a quorum shall be the act of the Board, unless the vote of a greater number is required by these Bylaws, the Articles of Incorporation or applicable Washington law.

3.15 Presumption of Assent

A Trustee of the corporation present at a Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent or abstention is entered in the minutes of the meeting, or unless such Trustee files a written dissent or abstention to such action with the person acting as secretary of the meeting before the adjournment thereof, or forwards such dissent or abstention by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a Trustee who voted in favor of such action.

3.16 Action by Board of Trustees Without a Meeting

Any action which could be taken at a meeting of the Board may be taken without a meeting if a written consent setting forth the action so taken is signed by each of the Trustees. Such written consents may be signed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Any such written consent shall be inserted in the minute book as if it were the minutes of a Board meeting.

3.17 Resignation of Trustees

Any Trustee may resign at any time by delivering written notice to the President or the Secretary at the registered office of the corporation, or by giving oral or written notice at any meeting of the Trustees. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.18 Removal of Trustees

At a meeting of members called expressly for that purpose, one or more Trustees (including the entire Board) may be removed from office, with or without cause, by two-thirds (2/3) of the votes cast by members then entitled to vote on the election of Trustees represented by absentee ballot or in person or by proxy at a meeting of members at which a quorum is present. Any Trustee missing three (3) or more consecutive regular meetings of the Board, without good cause, or any Trustee who is not a member in good standing as per Article 3.2, shall be removed and replaced by a vote of a majority of the remaining Trustees.

3.19 Trustee Vacancies

A vacancy in the position of Trustee may be filled by the affirmative vote of a majority of the remaining Trustees though less than a quorum of the Board. A Trustee who fills a vacancy shall serve for the unexpired term of his or her predecessor in office until the next annual meeting.

3.20 Board Committees

3.20.1 Standing or Temporary Committees. The Board, by motion adopted by a majority of the Trustees in office, may designate and appoint one or more standing or temporary committees, each of which shall consist of two or more Trustees or members. Such committees shall have and exercise the authority of the Trustees in the management of the corporation, subject to such limitations as may be prescribed by the Board; except that no committee shall have the authority to: (a) amend, alter or repeal these Bylaws; (b) elect, appoint or remove any member of any other committee or any Trustee or Officer of the corporation; (c) amend the Articles of Incorporation; (d) adopt a plan of merger or consolidation with another corporation; (e) authorize the sale, lease or exchange of all or substantially all of the property and assets of the corporation not in the ordinary course of business; (f) authorize the voluntary dissolution of the corporation or revoke proceedings therefor; (g) adopt a plan for the distribution of the assets of the corporation; or (h) amend, alter or repeal any motion of the Board which by its terms provides that it shall not be amended, altered or repealed by a committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board or any individual Trustee of any responsibility imposed upon it, him or her by law. Standing committees shall include a nominating committee, a properties committee, a house rules committee, a finance committee, a membership committee, and an advisory committee.

3.20.2 The Nominating Committee shall be appointed by the President, with the approval of the Board, and shall consist of no less than three (3) persons from the general membership, at least two (2) of whom have not served on the Nominating Committee in the previous two (2) years. It shall be the duty of this committee to provide a list of candidates to the Board.

3.20.3 The Properties Committee shall be appointed by the President, with the approval of the Board. It shall be the duty of this committee to maintain the Clubhouse and other properties of the corporation, supervise repairs, provide the Board with information regarding current insurance coverage needs, and make recommendations to the Board for items of improvement and betterment.

3.20.4 The House Rules Committee shall be appointed by the President with the approval of the Board. It shall be the duty of this committee, subject to the control of the Board, to establish rules and regulations for the use of the Clubhouse, maintain an engagement calendar for the Clubhouse, and supervise the usage of the Clubhouse and its facilities.

3.20.5 The Finance Committee shall be appointed by the President with the approval of the Board. It shall be the duty of this committee to supervise the financial operations of the corporation and prepare an annual budget for the corporation's operation, which budget shall be submitted to the Board.

3.20.6 The Membership Committee shall be appointed by the President and shall consist of as many members as deemed necessary and practicable. It shall be the duty of this committee

to invite and encourage all eligible persons to become members of the IBIC and keep a list of the names and addresses of the members as furnished by the members.

3.20.7 The Advisory Committee shall be appointed by the President and shall consist of as many members as deemed necessary and practicable. It shall be the duty of this committee to provide the Board with information pertaining to laws, ordinances, rules and regulations regarding the public health and welfare, sanitation, safety, zoning, conservation of natural resources and other subjects relating to the interests of the community. It shall be the duty of this committee to consult and cooperate with federal, state and county authorities and such other duly constituted organizations as may from time to time be deemed necessary and proper by the Board for the preservation and protection of the community. The committee shall advise with and aid the Officers and Trustees of the corporation in all matters concerning its interest, generally perform such duties and exercise such powers as may be directed or delegated by the Board from time to time.

3.20.8 Quorum; Manner of Acting by Committees. A majority of the number of Trustees composing any committee shall constitute a quorum, and the act of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee.

3.20.9 Resignation of Committee Members. Any member of any committee may resign at any time by delivering written notice thereof to the President, the Secretary or the chairperson of such committee, or by giving oral or written notice at any meeting of such committee. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.20.10 Removal of Committee Members. The Board, by motion adopted by a majority of the Trustees in office, may remove from office any member of any committee elected or appointed by it.

3.21 Compensation

The Trustees shall receive no compensation for their service as Trustees but may receive reimbursement for expenditures incurred on behalf of the corporation.

3.22 Electronic or Digital Transmission to Trustees

The Corporation may deliver to a Trustee notices, demands, consents or waivers by electronic or digital transmission, if such Trustee has consented to receive such electronically or digitally transmitted communications. The consent must designate the message format accessible to the Trustee and the address, location or system to which the notices or other document may be electronically transmitted. Notice provided in an electronic or digital transmission is effective when it: (a) is electronically transmitted to an address, location, or system designated by the recipient for that purpose, and is made pursuant to the consent provided by the recipient; or (b)

has been posted on an electronic or digital network and a separate record of the posting has been delivered to the recipient together with comprehensible instructions regarding how to obtain access to the posting on the electronic or digital network.

ARTICLE 4. OFFICERS

4.1 Number and Qualifications

The Officers of the corporation shall consist of a President, Vice President, Secretary and Treasurer, and such other Officers as the Board may from time to time create. The offices of President, Vice President, Secretary and Treasurer shall be filled only by persons who have been elected Trustees, provided that their election as Officers shall not change their status as Trustees.

4.2 Officers Election and Term of Office

The Officers shall be elected for one (1) year and shall take office on the first day of the first month succeeding the annual meeting at which they were elected. The President shall not serve more than two consecutive terms. Unless an Officer dies, resigns, or is removed from office, he or she shall hold office until the next annual meeting of the Board or until his or her successor is elected and takes office.

4.3 Resignation of Officers

Any Officer may resign at any time by delivering written notice to the President, Vice President, Secretary or the Board, or by giving oral or written notice at any meeting of the Board. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.4 Removal of Officers or Agents

Any Officer or agent elected or appointed by the Board may be removed from office by the Board whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

4.5 Vacancies in Any Office

A vacancy in any office created by the death, resignation, removal, disqualification, creation of a new office or any other cause may be filled by the Board for the unexpired portion of the term until the next annual meeting.

4.6 Duties of President

The President shall be the chief executive officer of the corporation and, subject to the Board's control, shall supervise and control all of the assets, business and affairs of the corporation. The President shall preside over meetings of the members and the Board. The President may sign deeds, mortgages, bonds, contracts, or other instruments, except when the signing and execution thereof have been expressly delegated by the Board or by these Bylaws to some other Officer or agent of the corporation or are required by law to be otherwise signed or executed by some other Officer or in some other manner. In general, the President shall perform all duties incident to the office of President and such other duties as are assigned to him or her by the Board from time to time. Not less than two months prior to the annual meeting, the President shall appoint a nominating committee as identified in Article 3.20.2 to submit its nominations for Officers and Trustees at the annual election. The President shall be an ex-officio member of all committees of the corporation.

4.7 Duties of Vice President

In the event of the death of the President or his or her inability to act, the Vice President shall perform the duties of the President, except as may be limited by motion of the Board, with all the powers of and subject to all the restrictions upon the President. The Vice President shall have, to the extent authorized by the President or the Board, the same powers as the President to sign deeds, mortgages, bonds, contracts or other instruments. The Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or the Board.

4.8 Duties of Secretary

The Secretary shall: (a) keep the minutes of meetings of the members and the Board, and minutes which may be maintained by committees of the Board; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records of the corporation ; (d) keep records of the post office address and class, if applicable, of each Trustee and of the name and post office address of each Officer; (e) sign with the President, or other Officer authorized by the President or the Board, deeds, mortgages, bonds, contracts, or other instruments; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or the Board.

4.9 Duties of Treasurer

The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the

President or the Board. No less than two (2) Officers shall be authorized to sign on the corporation's bank and investment accounts, including check writing.

ARTICLE 5. ADMINISTRATIVE PROVISIONS

5.1 Books and Records

The corporation shall keep at its principal or registered office, and/or in digital storage, copies of its current Articles of Incorporation and Bylaws; correct and adequate records of accounts and finances; minutes of the proceedings of its members and Board, and any minutes which may be maintained by committees of the Board; records of the name and address and class, if applicable of each member and Trustee, and of the name and post office address of each Officer; and such other records as may be necessary or advisable. All books and records of the corporation shall be open at any reasonable time to inspection by any member of three months standing or to a representative of more than five (5) percent of the membership.

5.2 Fiscal Year

The fiscal year of the corporation shall be the twelve months ending in December.

5.3 Rules of Procedure

The rules of procedure at meetings of the Board and committees of the Board shall be rules contained in Robert's Rules of Order on Parliamentary Procedure, newly revised, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or any motion of the Board.

ARTICLE 6. INDEMNIFICATION OF TRUSTEES

6.1 Definitions

For purposes of this Article:

The terms "Trustee or Officer" shall include a person who, while serving as a Trustee or Officer of the corporation, is or was serving at the request of the corporation in any capacity. The term "Trustee or Officer" shall also include the estate or personal representative of a Trustee or Officer, unless the context otherwise requires.

The term "proceeding" shall mean any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, whether formal or informal, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

The term “party” includes an individual who is, was, or is threatened to be made a named defendant or respondent in a proceeding.

The term “liability” shall mean any obligation to pay a judgment, settlement, penalty, fine, or reasonable expense incurred with respect to a proceeding.

When used with respect to a Trustee, the phrase “official capacity” shall mean the office of Trustee in the corporation, and, when used with respect to a person other than a Trustee, shall mean the office in the corporation held by the Officer, but in neither case shall include service for any domestic corporation or for any partnership, joint venture, trust, or other enterprise.

6.2 General Provisions

The corporation shall indemnify any person who is or was a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a Trustee or Officer of the corporation, against expenses (including attorneys’ fees), liability, judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such proceeding if such person (a) conducted himself in good faith, (b) reasonably believed, in the case of conduct in his or her official capacity with the corporation, that his or her conduct was in the best interests of the corporation, and, in all other cases, that his or her conduct was at least not opposed to the best interests of the corporation, and (c) with respect to any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful. However, no person shall be entitled to indemnification under this Article either (a) in connection with a proceeding brought by or in the right of the corporation in which the Trustee or Officer was adjudged liable to the corporation or (b) in connection with any other proceeding charging improper personal benefit to the Trustee or Officer, whether or not involving action in his or her official capacity, in which he or she is ultimately adjudged liable on the basis that he or she improperly received personal benefit. Indemnification under this Article in connection with a proceeding brought by or in the right of the corporation shall be limited to reasonable expenses incurred in connection with the proceeding. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith or otherwise failed to meet the standard of conduct set forth in this Article.

6.3 Successful Defense on the Merits; Expenses

To the extent that a Trustee or Officer of the corporation has been wholly successful on the merits in defense of any proceeding to which he or she was a party, such person shall be indemnified against expenses (including attorneys’ fees) actually and reasonably incurred by him or her in connection with such proceeding.

6.4 Determinations of Right to Indemnification

Any indemnification under this Article (unless ordered by a court) shall be made by the corporation only as authorized in each specific case upon a determination that indemnification of the Trustee or Officer is permissible under the circumstances because such person met the applicable standard of conduct set forth in this Article. Such determination shall be made (a) by the Board of Trustees by a majority vote of a quorum of disinterested Trustees who at the time of the vote are not, were not, and are not threatened to be made parties to the proceeding, or (b) if such a quorum cannot be obtained, by the vote of a majority of the members of a committee of the Board of Trustees designated by the Board, which committee shall consist of two or more Trustees who are not parties to the proceeding (Trustees who are parties to the proceeding may participate in the designation of Trustees to serve on such committee), or (c) if such a quorum of the Board of Trustees cannot be obtained or such a committee cannot be established, or even if such a quorum is obtained or such a committee is so designated, but such quorum or committee so directs, then by independent legal counsel selected by the Board of Trustees in accordance with the preceding procedures, or (d) by the members. Authorization of indemnification and evaluation as to the reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that, if the determination that indemnification is permissible is made by independent legal counsel, authorization of indemnification and evaluation of legal expenses shall be made by the body that selected such counsel.

6.5 Advance Payment of Expenses; Undertaking to Repay

The corporation shall pay for or reimburse the reasonable expenses (including attorneys' fees) incurred by a Trustee or Officer who is a party to proceeding in advance of the final disposition of the proceeding if (a) the Trustee or Officer furnishes the corporation a written affirmation of his or her good faith belief that he or she conducted himself in good faith, (b) the Trustee or Officer furnishes the corporation with a written undertaking, executed personally or on his or her behalf, to repay the advance if it is determined that he or she did not conduct himself in good faith, which undertaking shall be an unlimited general obligation of the Trustee or Officer but which need not be secured and which may be accepted without reference to financial ability to make repayment, and (c) a determination is made by the body authorizing indemnification that the facts then known to such body would not preclude indemnification.

6.6 Reports to Members

In the event that the corporation indemnifies, or advances the expenses of, a Trustee or Officer in accordance with this Article in connection with a proceeding by or on behalf of the corporation, a report of that fact shall be made in writing to the members with or before the delivery of the notice of the next meeting of the members.

6.7 Other Employees and Agents

The corporation shall indemnify such other employees and agents of the corporation to the same extent and in the same manner as is provided above in this Article with respect to Trustees and Officers, by adopting a motion by a majority of the members of the Board of Trustees specifically identifying by name or by position the employees or agents entitled to indemnification.

6.8 Insurance

The Board of Trustees may exercise the corporation's power to purchase and maintain insurance (including without limitation insurance for legal expenses and costs incurred in connection with defending any claim, proceeding, or lawsuit) on behalf of any person who is or was a Trustee or Officer of the corporation against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

6.9 Non-exclusivity of Article

The indemnification provided by this Article shall not be deemed exclusive of any other rights and procedures to which one indemnified may be entitled under the Articles of the corporation any bylaw, agreement, motion of disinterested Trustees, or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Trustee or Officer, and shall inure to the benefit of such person's heirs, executors, and administrators.

ARTICLE 7. AMENDMENTS

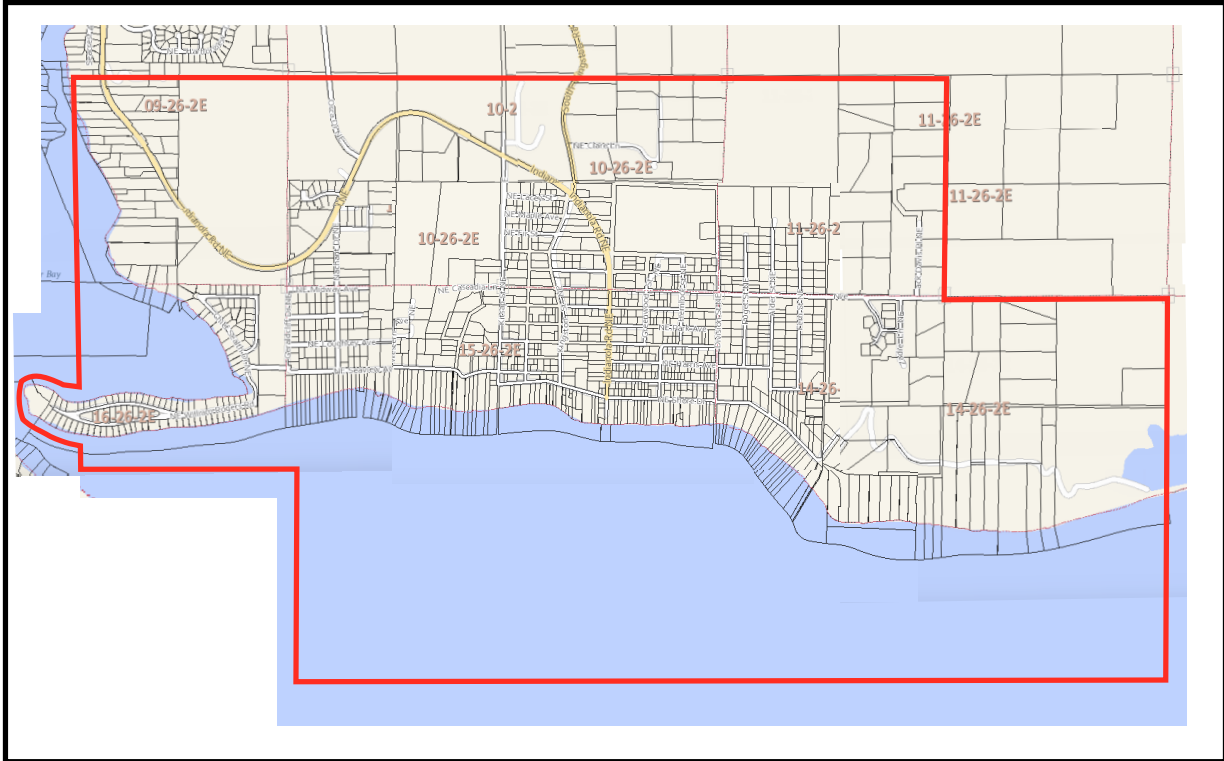
7.1 Amendments to these Bylaws may be made at any annual meeting or at any special meeting called for the purpose and notice of which has been previously given in accordance with Article 2.4.2 and provided that any such amendment shall be authorized by two-thirds (2/3) of the members present in person or by written proxy or absentee ballot and that there is a quorum in accordance with Article 2.9.

The foregoing Bylaws were adopted by the Board of Trustees on _____, 2020.

Sarah Runnels, Secretary

ADDENDUM

Indianola Beach Improvement Club Membership Boundaries Map



Description of IBIC Corporation boundaries as per Bylaws, Article 2.2.2: All of Sections 14 and 15, the southwest 1/4 of Section 11, the south 1/2 of Section 10, the northeast 1/4 of Section 16, and the southeast 1/4 of Section 9, all in Township 26, Range 2 East, W.M., Kitsap County, Washington; also including all of the sandspit of the Indian Bay Development.

Revised Bylaws Vote • August 23, 2020
Votes FOR: 201 Votes AGAINST: 21
Total Bylaws Votes: 222 • 91% Approval