

# **LAKE CITIES CHAMBER OF COMMERCE BY-LAWS**

Revised February 2011

## **ARTICLE I. GENERAL**

### **Section 1—Name**

This organization is incorporated under the laws of the state of Texas and shall be known as the Lake Cities Chamber of Commerce Incorporated (“Chamber”). The office of the Chamber shall be located within the limits of Corinth, Lake Dallas, Hickory Creek and/or Shady Shores (“Lake Cities”), Denton County, Texas.

### **Section 2—Registered Office and Registered Agent**

The Chamber shall comply with the requirements of the Texas Non-Profit Corporation Act (“Act”) and shall maintain a registered office and registered agent in Texas. The registered office may but need not be identical with the Chamber's principal office in Texas. The Board of Directors may change the registered office and registered agent as provided by the Act.

### **Section 3—Purpose**

The Chamber is an independent, non-profit organization, devoted to the growth and retention of businesses in the Lake Cities area, including the promotion of economic development programs. The Chamber is designed to strengthen and expand the income potential of all businesses within the trade area.

### **Section 4—Limitations**

The Chamber shall observe all local, state, and federal laws, which apply to a non-profit organization as defined in Section 501 (c) (6) of the Internal Revenue Code. The Chamber shall not engage in any action of a purely political nature or take part in or lend its influence or facilities, either directly or indirectly, to the nomination, election or appointment of any persons for office in the city, county, state or nation. This shall not be construed as preventing the Chamber from encouraging the public or voting citizenship in such matters of primarily civic or commercial interests. These interests may include items, which directly or indirectly affect the business community, the object of which is civic or commercial betterment.

### **Section 5—Parliamentary Procedure**

The current edition of Robert’s Rules of Order shall be the final source of authority in all questions of parliamentary procedure when such rules are not inconsistent with the Chamber’s Articles of Incorporation or Charter or the laws of the State of Texas.

## **ARTICLE II. MEMBERSHIP**

### **Section 1—Eligibility**

Membership is a privilege, not a right. All individuals, associations, corporations, partnerships, trusts and estates in good standing who have an interest in the purpose of the Chamber shall be eligible to apply for

membership. Applicants, as well as members, should conduct themselves according to the highest standards of honesty, integrity and morality, and should not engage in conduct offensive or detrimental to others. To be a member in good standing, one must meet the requirements described herein and be current on dues. Membership in the Chamber, attendance at Chamber meetings and functions, and participation in Chamber activities shall not conflict with or result in a breach of the organizational documents of the Chamber, or of any law, or any regulation, order, writ, injunction, or decree of any court or government instrumentality.

## **Section 2—Classes of Membership**

The Chamber shall be composed of: Corporate, Associate, Non-Profit and Honorary Members.

- a. Corporate members shall include any firm, association or corporation interested in the welfare of the Lake Cities' business community and the surrounding areas. These members shall be entitled to advertise and promote their business in all Chamber publications, promotions and activities at their cost. Corporate members are eligible to vote under Section 6 below. These members may hold office and / or serve on the Board of Directors.
- b. Associate Memberships are individual members who join for a reduced Fee and may not promote their business through the Chamber's network. These members may serve on any committee, hold office and serve on the Board of Directors with full voting privileges.
- c. Non-Profits may join at a reduced level of Fee and have limited promotional benefit, which will be at the Chamber's discretion. These members are limited to one vote per organization.
- d. Honorary memberships may be awarded by the Board of Directors based on service and/or commitment to the community. Honorary members shall have one vote and may promote a business through the Chamber's network. A three-fourths vote of the Board of Directors is required to award an Honorary membership.

## **Section 3—Election to Membership**

Applicants shall submit applications for membership accompanied by the applicable membership fee. The application shall be regarded as a guarantee on the part of the applicant of his interest in and agreement with the purposes of the Chamber and his adherence if elected to its bylaws. A three-fourths vote of the Board of Directors is required to accept an application for membership.

## **Section 4—Membership Fees**

Membership Fees shall payable in advance at a rate, schedule or formula as may be from time to time prescribed by the Board of Directors. The Board of Directors must approve adjustments to the Membership Fees.

## **Section 5—Termination**

- a. Any member may resign from the Chamber upon written notice to the Board of Directors.
- b. Any member who is in arrears in his membership fee for more than 90 days shall be automatically dropped from the roll.
- c. Any membership may be terminated by a three-fourths vote of the Board of Directors, at a regularly scheduled meeting thereof, for conduct unbecoming a member and/or conduct which would not be considered to be of good standing as defined in Article II, Section I.

## **Section 6—Voting**

Except and unless otherwise stated herein, each member shall be entitled to one vote.

### **Section 7—Actions of Membership**

When the membership is unable to act by consensus, a vote of the majority of present members in good standing shall be sufficient to constitute the act of the membership unless the vote of a greater number is required herein.

### **Section 8 –Waiver of Interest in Corporation Property**

All real and personal property, acquired by the Chamber, shall be owned by the Chamber. A member shall have no interest in specific property of the Chamber. Each member hereby expressly waives the right to require partition of all or part of the Chamber's property.

## **ARTICLE III. MEETINGS**

### **Section 1—Meetings of the Membership**

- a. The annual meeting of the membership shall be held in January of each year. The date and location shall be fixed by the Board of Directors. Notice shall be given to each member at least ten (10) days before said meeting. The new Board of Directors shall be introduced at this time.
- b. Regular general membership meetings will be held weekly. The President may also call general membership meetings at any time, or upon petition in writing of any member in good standing. Notice of special meetings shall be either emailed, faxed or mailed to each member at least five (5) days prior to such meeting.
- c. Special general membership meetings may be called at any time by the Board of Directors or upon petition in writing of any twenty (20) members in good standing. Notice of special meetings shall be either emailed, faxed or mailed to each member at least (5) days prior to such meetings.

### **Section 2—Board of Directors' Meetings**

Board meetings shall be held monthly. Special or emergency meetings may be called by any member of the Board of Directors. Notice, including the purpose of the called meeting, shall be given at least one (1) day prior to the special/emergency meeting with 80% of the Board being verifiably contacted. Telephone conference, telephone polling, and/or email will be acceptable in emergencies only and only under the above guidelines.

### **Section 3—Committee Meetings**

The Board of Directors, President, or the committee's chair may call committee meetings at any time.

### **Section 4—Quorums**

- a. At any duly called, regularly scheduled meeting of the Chamber, thirty (30) members shall constitute a quorum.
- b. Five (5) elected directors present at scheduled meetings shall constitute a quorum of the Board of Directors.
- c. At committee meetings, a majority shall constitute a quorum.

### **Section 5—Referenda**

The Directors shall, upon written request of ten percent (10%) of the members in good standing, or upon its own initiative, submit a question to the members for a referendum vote. Actions taken thereof by the membership shall be final.

## **ARTICLE IV . BOARD OF DIRECTORS**

### **Section 1—Board Governance**

The Board is responsible for policy setting, fiscal guidance, on-going governance and should regularly review the organization's policies, programs and operations. Fiscal guidance includes responsibility for the financial management decisions, for internal accounting controls and for short and long-term budgeting decisions. Board membership should be more than honorary, and should involve active participation in board meetings. No matters involving the policies of the organization shall be finally acted upon by the membership until it has been brought before the Board of Directors for consideration.

### **Section 2—Board of Directors' Responsibilities/Liability/Indemnification**

- a. The Board of Directors shall be composed of elected members and one, non-voting Executive Director. The government and policy-making responsibilities of the Chamber shall be vested in the Board of Directors. The Board of Directors shall control its property, finances, make policy, take official position, authorize and define the powers and duties of all committees, and generally direct the affairs of the organization.
- b. The Board of Directors shall authorize any individual, as an agent of the Chamber in addition to the Officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Chamber. Such authority may be general or confined to specific purpose. All checks, drafts, or orders for the payment of funds, notes or other evidences of indebtedness issued in the name of the Chamber, shall be signed by such officer, officers or agents of the Chamber. Authorization of such matters or duties, shall from time to time, be determined by resolution of the Board of Directors.
- c. No action by any member, committee, employee, director, or officer shall be binding upon or constitute and expression of the policy of the Chamber until it has been approved or ratified by the Board of Directors.
- d. The Board of Directors, may, at its own discretion, elect to obtain insurance coverage, including, but not limited to, errors and omissions protection, in order to protect itself and/or the assets of the Chamber.

### **Section 3—Composition of the Board**

Directors -nine (9) directors, and 1 Executive Director shall compose the Board of Directors. The Executive Director is an independent contractor and shall serve as a non-voting member of the Board. Three (3) directors shall be nominated each year for board service the following year. Directors shall be elected to serve three (3) years, or until their successors are elected and qualified. No director may be re-elected after serving two (2) full elective terms of three (3) years, until one year has lapsed. He/She may however, serve in another capacity on the Board of Directors. All reasonable efforts shall be made, to fill any vacancy of a Directors position, at the next scheduled board meeting. In addition to meeting the standard membership requirements, candidates considered for the Board of Directors shall have no criminal record more significant than a Class C Misdemeanor.

The following officers shall be elected from the Board of Directors:

- a. President
- b. First Vice President (President Elect)
- c. Second Vice President
- d. Secretary/Parliamentarian
- e. Treasurer

### **Section 4—Board Vacancies**

The office of any Director who shall have an unexcused absence from three (3) regular meetings of the Board of Directors in a calendar year will be deemed vacant. The President shall determine unexcused absences and appoint a replacement for positions deemed vacant or from which a board member has resigned. In the absence of the President the decision will be passed down through the officers as listed in

Article IV Section 3. All appointments are subject to the approval of the Board of Directors.

### **Section 5—Nominations & Elections**

An annual election of Directors shall be held at the regularly scheduled membership meeting in the month of November.

- a. Two (2) months prior to the election (September), the President shall appoint, subject to approval by the Board of Directors, a nominating committee consisting of six (6) members, two (2) of which are Directors whose terms do not expire at this election. The President shall designate the Chair of this committee. The President and Vice-President cannot sit on this committee but their input is encouraged.
- b. Nominating committee member's names and contact information shall be included in the chamber's newsletter and/or weekly email. Any member intending to be considered can contact a committee member.
- c. One (1) month prior to the election (October), the Nominating Committee shall present a slate of candidates with a minimum of one for each vacancy to be filled. All nominees shall have been contacted and agreed to serve if elected.
- d. Twenty (20) days prior to the election, the President will notify all chamber members, in writing by fax or email, of the slate of nominees selected by the Nominating Committee. At this time, the membership will be informed of the procedures for additional nominations. Any member may make other nominations in good standing, by supplying a petition signed by five (5) Chamber members also in good standing. Petitions shall be presented to the President no later than ten (10) days prior to the election.
- e. If petition nominees are received, the President shall, eight (8) days prior to the election, email, fax or mail out ballots to all members in good standing, listing candidates for each office. Each member has one (1) vote, except as noted in Article II, Section 6. Returned ballots must be received at the Chamber Office no later than 12:00 noon on the day of the election.
- f. The President shall appoint three (3) members to act as election judges who shall begin to tabulate all ballots received at 12:01 p.m.
- g. Nominees shall be declared elected in the order of their total votes. In the event of a tie, the election shall be determined by vote of members present at the next regularly scheduled meeting.
- h. If there were no petition nominees, the slate selected by the Nominating Committee and approved by the Board of Directors, will be declared elected by acclamation, with no membership vote required.
- i. The newly elected Board of Directors will take office January 1.

## **ARTICLE V. COMMITTEES**

The President shall appoint and designate committees and committee chairs. The President may appoint ad hoc committees, as deemed necessary, to carry out the programs of the Chamber. Committee appointments shall be at the sole discretion of the President, unless specific committee descriptions are addressed in the bylaws.

## **ARTICLE VI. FINANCES**

### **Section 1—Fiscal Year**

The accounts of the Chamber shall be reviewed or audited annually at the end of the fiscal year. The fiscal year of the Chamber shall coincide with the calendar year.

### **Section 2—Funds**

All money paid the Chamber shall be placed in a general operating fund, except for money designated or contributed for a specific purpose, shall be so designated on the books of the organization. Funds unused from the current year budget will be carried forward for use in subsequent years. These funds can be invested at the discretion of the Board of Directors.

### **Section 3—Disbursements**

Upon approval of the budget, the Treasurer may make disbursements for expenses provided for in the budget without additional approval. No other obligations shall be incurred or paid beyond those previously approved by the Board of Directors.

### **Section 4—Budget**

By the November Board meeting of each year the Financial Committee, in cooperation with the President, shall submit an estimated budget for the general operation of the Chamber to the Board of Directors for approval. The budget shall go into effect on January 1 of each year.

### **Section 5—Annual Audit**

The accounts of the Chamber shall be audited annually at the end of the fiscal year. This audit shall be performed by either three (3) qualified Chamber members selected by the Board of Directors or a local bookkeeper, accountant or CPA selected by the Board of Directors. The auditor's report shall be submitted to the Board of Directors at the February Board meeting. This report will be available to the general membership for their examination upon request.

### **Section 6—Bond**

The Board of Directors may, at its discretion, require Chamber members, employees or others handling Chamber funds to be bonded in such amounts as the Board of Directors may deem necessary. Contracted vendors are responsible for the cost of their bond coverage and shall be required to supply written proof of such. The Chamber will pay to bond its volunteers and employees.

## **ARTICLE VII. DISSOLUTION**

The Chamber may be dissolved in accordance and in compliance with the provisions of applicable Articles of the Act, or in compliance with such act as it may be amended by the Texas Legislature. On dissolution of the Chamber, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations to be selected by the Board of Directors as defined in IRS Section 501 (c) (6).

## **ARTICLE VIII. AMENDMENTS**

These bylaws may be amended by a majority vote of the Board of Directors present at any regular or special meeting, provided that written notice of consideration of such amendment at such meeting shall have been given to each Board member at least five (5) days prior to such meeting.

## **ARTICLE IX. ENACTMENT**

These bylaws shall be effective immediately upon their adoption by a majority vote of the general membership at a duly called meeting. A complete copy of the bylaws shall be available to all members at the Chamber office.

Accepted and approved by the membership as indicated in the minutes of the meeting on this the 14<sup>th</sup> day of March, 2007.