

PNHOA BYLAWS

BYLAWS REVISED **2019**

POT-NETS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I - GENERAL

Section 1.

The Pot-Nets Homeowners Association is incorporated as a non-profit corporation in the state of Delaware and hereinafter shall be referred to as PNHOA.

Section 2.

The principal address of PNHOA will be the address of the current president.

ARTICLE II - PURPOSE

1. PNHOA's purpose is to schedule entertainment and coordinate activities for its members who reside within all Pot Nets Communities.
2. Membership is for the whole household and activities offered will be for adults, families or children. The activities should stimulate membership participation.
3. PNHOA will promote all social activities offered by any Pot Nets Community to all PNHOA members.
4. PNHOA will promote civic activities which are beneficial to the community thru PNHOA membership.
5. PNHOA will work together with its membership, community and management/owners to maintain and improve the positive quality of life style that is associated with living in a Pot Nets Community.

ARTICLE III – MEMBERSHIP

1. Membership shall be open to homeowners/lessees in any Pot-Nets communities. In the event a member holds a position in another HOA within any of the Pot Nets communities, he/she will not be entitled to a counted vote on any business matters due to a possible conflict of interest.

a. A person cannot serve on PNHOA's board of directors or be an officer of PNHOA if he/she is a member of another HOA;

b. that he/she must resign from another HOA and be a member in good standing of PNHOA for three (3) consecutive years in order to run for the board of directors or any office of PNHOA.

2. Upon payment of annual dues, membership shall be granted to an adult person and his/her spouse, partner, or live-in companion whose name appears on a valid lease of Tunnell Companies. In cases of multiple lessees of the Pot-Nets property, membership will be granted to the additional residents of the lessee's household upon payment of the annual membership dues.

3. Dues are assessed on an annual basis in an amount approved by the board of directors.

4. The renewal membership fee is due and payable on the 1st day of January each year. Members who have not renewed and paid dues by the 1st day of February will be removed from the active membership list.

5. New members who join PNHOA before November 1st will pay the full amount of the annual dues for the current year. Members who join after November 1st will be paid-in-full members for the remainder of the current year and the new year.

6. Any member who leaves PNHOA and wants to rejoin PNHOA must be approved by the board of directors of PNHOA. Any applicant who is rejected may appeal to the board of directors of PNHOA.

ARTICLE IV - BOARD OF DIRECTORS

1. The board of directors, including the officers listed below, shall consist of not fewer than thirteen (13) nor more than twenty-three (23) members, as determined by the board.

(Refer to Article III, section 1a for eligibility to run.)

2. The following officers of PNHOA shall be members of the board of directors for a term concurrent with their respective terms of office: president, vice president, secretary, and treasurer.

3. The remaining members of the board shall be elected from among the members in good standing by a vote of a majority of the members present at the annual association meeting in June. A member in good standing is one who currently owns a home in one of the communities and whose dues are current. In the event that an officer or director sells or vacates his/her Pot-Nets home, that officer/director will no longer be eligible to hold office and will be replaced.

4. The term of office for board members and officers shall be two years. Officers shall be elected in even-numbered years. Directors shall be elected in odd-numbered years. Board members and officers may be elected for two additional consecutive terms. Unless circumstances exist as determined and approved by the board, they should not be considered for a fourth consecutive term in office. Elected officers and directors will serve without compensation.

5. The outgoing president shall serve on the board for a period of one (1) year as a non-voting member.

6. The board shall be responsible for the control and management of the affairs and interests of PNHOA.

7. The board will hold at least one meeting prior to the regular membership meeting or as circumstances require. Normally, this meeting will be held one and a half hours (1.5) preceding the regular membership meeting. Members in good standing can attend a board meeting by requesting permission of the president in advance. The member cannot participate in the proceedings, vote, or address the board without expressed permission of the president.

8. Two-thirds of the board of directors, including officers of PNHOA, present at a board meeting shall constitute a quorum and is required to conduct all board meetings.

9. The board will review all written requests, signed complaints, and other matters that are of concern to PNHOA and/or the residents of the Pot-Nets communities.

10. Any vacancy occurring on the board shall be filled for the unexpired portion of the term by a member in good standing appointed by the president with the board's approval. If the unexpired portion of the term is greater than one year, nominations shall be made at the next membership meeting. The nominations will be closed at the following meeting and the election will follow immediately.

11. Any member of the board who is absent from three (3) consecutive board meetings without notice or adequate reason acceptable to the board shall be deemed to have resigned from the board. Written notice will be sent to the absent board member advising him/her of the subsequent removal from the board of directors.

12. All officers and directors must be residents. Residents employed by Tunnell Companies in executive, administrative, or sales positions are ineligible to hold an elected office due to any potential conflict of interest.

13. Any officer or director who willfully or intentionally fails to follow the bylaws, the direction of the board and/or the membership, or violates the trust placed in him or her, shall upon written and specific charges filed against him or her, be recommended for removal from office by a vote of a majority of the officers and directors at the next board meeting. Timely notice (at least seven (7) days) of such action shall be provided to the accused party who shall be given the opportunity to appear in his/her own defense before a special board meeting convened for the purpose of hearing that defense. Upon removal of an officer or director from the board, such action must be made known to the membership at the next regular membership meeting.

14. Any officer or director who disrupts a board meeting will be given a verbal warning by the presiding officer. Any further outbursts and the offending party will be told to leave the meeting immediately and be escorted out by the sergeant-at-arms. That person will be recommended for removal from office by a vote of a majority of the officers and directors at the next board meeting.

ARTICLE V - OFFICERS

1. president

- a. The president shall be the chief executive officer and is subject to the direction of the board of directors. The president shall insure all orders and resolutions of the board are put into effect. The president shall preside at all meetings of the membership and the board of directors. The president shall decide all questions of order and shall enforce the provisions of the bylaws and conduct business according to Robert's Rules of Order.
- b. The president shall appoint all chairpersons of committees with confirmation of the board.
- c. The president will act as primary representative of PNHOA at the direction of the board of directors and with the assistance of other officers, board members and/or committee chairpersons, in all PNHOA contacts, meeting, etc. with Tunnell Companies.
- d. The president will receive and file all correspondence as directed.

2. vice president

- a. The vice president will act in the president's capacity at all board and membership meetings during the absence of the president. The vice president will also assist with the various committee functions as requested by the president and perform such other duties and have such other powers as prescribed by the board.
- b. The vice president will chair the program committee.
- c. The vice president will be responsible to acquire space to hold the annual membership meeting.

3. secretary

- a. The secretary shall record all the proceedings of the board and membership meetings in books provided for that purpose.
- b. The secretary will give notice of all meetings for which notice is required by these bylaws.
- c. The secretary will provide copies of minutes of the board meetings within fourteen (14) days of each meeting to the president. Minutes may be sent via E-mail or regular mail.

4. treasurer

- a. The treasurer shall have charge and custody of all funds of PNHOA and all funds collected, generated, or obtained in connection with PNHOA activities.
- b. The treasurer shall keep in a financial ledger full and accurate account of receipts and disbursements.
- c. The duplicate receipt method will be used when all monies are received.
- d. A checking account will be maintained in a local bank at the discretion of the board. All monies shall be deposited in the name of and to the credit of PNHOA.
- e. The treasurer will insure that all outgoing checks are signed by two of the approved officers: treasurer, president, vice president or other designated member of the board. In the event that a spouse of a board member holds a position that is authorized to sign checks, that board member will not be approved to sign checks.
- f. The treasurer shall disburse funds as directed by the board having proper receipts for such disbursements.

- g. A signed report reflecting all the treasurer's monthly transactions shall be presented at both the monthly board and membership meetings.
- h. Any non-budgeted expenditure over \$1,000.00 must be approved by the board and the general membership of the majority present. The exception to this rule is the cost involved in printing and mailing the association newsletter and the board-approved budget for upcoming events.
- i. An auditing committee appointed by the president will conduct an audit of the books and accounts. This audit shall be performed annually and completed by the first day of June.
- j. The treasurer shall be responsible for filing tax returns and all applicable forms as required by the state of Delaware.

ARTICLE VI - MEMBERSHIP MEETINGS

1. Regular monthly membership meetings will be held at 7:00 PM on the second Thursday of each month or as scheduled by the board of directors. The annual membership meeting will be held on a designated Saturday in June.
2. Special meetings may be called at any time by the president and/or board provided that adequate information was provided to the membership in a timely manner as to the date, time, location, and reason for the special meeting. Notification will be posted on designated bulletin boards and the PNHOA website. Business transacted at all special meetings of members shall be confined to the purpose or purposes stated in the notice of the meeting.
3. The rules contained in the current edition of Robert's Rules of Order shall govern PNHOA and all cases where they are not inconsistent with these bylaws.
4. All general meetings of PNHOA and PNHOA-sponsored events will be conducted within a reasonable distance of Pot-Nets communities.

5. Written notice of meetings stating the purpose of the meeting, time, and location shall be published in each issue of the newsletter, the PNHOA website, and other appropriate posting sites.

6. A quorum of seven (7) persons is required to conduct business at any regular meeting. This quorum shall include three (3) association members who are not officers or directors of the association plus two (2) officers and two (2) directors.

7. Meetings are for the sole benefit, enlightenment, or expression of views by members of PNHOA. Residents who are not members may attend meetings without voting privileges and express their views if authorized by the presiding officer. Non-members may not attend the June election meeting since this meeting is for PNHOA members only.

8. Each member shall be entitled to one vote on each matter submitted to a vote of the membership.

9. The order of business for meetings of PNHOA shall be as follows:

- a. Call to order and Pledge of Allegiance.
- b. Reading of the minutes
- c. Reading of the treasurer's report
- d. Reading of correspondence
- e. Report from the president
- f. Report from committees
- g. Old business
- h. New business
- i. Nomination of officers - annual meeting only
- j. Election of officers - annual meeting only
- k. Installation of officers - annual meeting only
- l. Motion to adjourn

10. Recordings and photographs are permitted only with the advanced permission of the presiding officer.

ARTICLE VII - COMMITTEES

Section 1.

a. The president shall appoint chairpersons of the standing committees with the approval of the board, with the exception of the nomination/elections committee and chair, who are to be elected by the general membership.

These committees are:

- 1) membership
- 2) program
- 3) newsletter
- 4) nominating/elections
- 5) bingo
- 6) breakfast
- 7) website
- 8) finance/budget
- 9) neighborhood watch
- 10) bylaws
- 11) sunshine/welcome
- 12) entertainment
- 13) audit
- 14) activities (adult)
- 15) activities (kids)
- 16) holiday party
- 17) sergeant-at-arms

b. The president shall have the authority to form other committees as needed. The board will determine if the newly-formed committee is a temporary or a standing committee. Chairpersons and members of committees shall be members in good standing but need not be officers or directors.

c. Members of the committees will be appointed by the chairperson. Committee members shall be appointed from any Pot-Nets community.

d. No committee shall consist of more than (3) board members with fair representation of each community, with a total number of committee members to be at the discretion of the chair.

Section 2.

- a. The membership committee shall receive and process applications from qualified lessees. The chairperson will maintain a listing of all current members. Monies received with applications will be given to the treasurer. The committee members shall make every effort to build the membership by providing information and directing attention to the advantages and activities available to the members. Membership lists may be used only for PNHOA-related activities at the board's discretion.
- b. The program committee shall arrange for interesting presentations relating to a variety of subjects and special interests of PNHOA members. This committee will coordinate its activities closely with the president and the board. It may be combined with the activities committee. Normally, the vice president will chair this committee.
- c. The editor of the newsletter committee is responsible for the compilation and publication of the *Baywalk Talk*. When all the information has been gathered and assembled, the newsletter is submitted to the PNHOA president for final review and approval. The editor then checks with the membership chairperson to determine how many copies should be printed. Once the printing is completed, the newsletter editor coordinates with the membership chairperson to make arrangements for applying labels and mailing the newsletter. The newsletter editor shall also attend PNHOA board meetings and provide a committee report.
- d. The nominating/elections committee chairperson will review the membership for qualified persons. The chairperson shall submit a list of the qualified candidates to the board and proceed as outlined in Article VIII - Elections.
- e. The bingo committee will be responsible for obtaining the license, purchasing supplies, overseeing the event, and filing an after-event report to the State of Delaware.
- f. The breakfast committee's duties will be maintaining inventory, purchasing, menu, cooking, setup and cleanup; overseeing the monthly event; and filing an after-event report to the president.

g. The website committee's duties include deletions, additions, and the updating of the current website.

h. The finance/budget committee shall consist of three (3) members. The treasurer will be a member of this committee but not the chairperson. This committee is responsible for preparing an annual budget and overseeing expenditures in an effort to ensure that PNHOA expenses stay within the budgeted amounts. The annual budget must be submitted to the board by November 1st to be effective January 1st of the following year.

i. The duties of the chairperson of the neighborhood watch committee include scheduling patrols for the month, distributing monthly schedules, and making sure those on watch have signs for their cars. They are to solicit new members, meet with new members, and provide new members with a copy of the neighborhood watch guidelines; provide members of neighborhood watch with a list of security patrol numbers and a copy of guidelines for golf carts; attend PNHOA meetings to give committee reports; and assist other Pot-Nets communities to develop a neighborhood watch.

J. The bylaws committee will review the bylaws annually or as required to determine their pertinence to the operation of PNHOA. If it is determined that a review is in the bylaws committee will review and/or prepare recommended changes and present them to the board within a specified period of time (with time being of the essence).

k. The purpose of the sunshine/welcome committee will be to promote the general welfare and establish a sense of community for all Pot-Nets residents, both old and new, with a network of personal contacts, which will serve as a support system.

l. The entertainment committee has the responsibility to schedule entertainment and to coordinate activities as needed.

m. The audit committee is required to perform an annual audit of the financial records prior to the annual meeting and to be available for the annual meeting in June.

n. The activities (adult) committee shall arrange for such activities that will stimulate maximum adult membership participation.

- o. The activities (kids) shall arrange for such activities that will stimulate maximum kids' membership participation.
- p. The holiday party committee shall arrange for entertainment, food and tickets, and facility as well as oversee the appurtenant budget.
- q. The sergeant-at-arms shall maintain order at board and general meetings according to Robert's Rules of Order.

Section 3.

The president, by virtue of his/her office, shall be a member of all committees. It shall be the duty of the chairperson of each committee to submit to the board the names of appointees for committee members within one month of the chairperson's appointment.

ARTICLE VIII - ELECTIONS

1. The nominating chairperson will present a list of qualified candidates to the general membership at the regular April meeting. Other nominations may be made from the floor at the April and May meetings. Nominations will be closed at the May meeting.
2. Names of all candidates and positions for which they are being considered will be posted on the web site and in several prominent locations prior to and at the June annual meeting.
3. Voting will be conducted by secret ballot under the supervision of an election committee. This requirement may be waived if there is only one candidate for each position open for election. In this instance, the president may call for a vote by the membership (by either a show of hands or a voice vote) that the slate be accepted as presented.
4. Members in good standing who are PNHOA members and homeowners/lessee's may vote in person or by absentee ballot addressed to the attention of the election supervisor and received and/or postmarked no later than May 31st. Ballots are not to be opened prior to the final count on day of the election.
5. Newly-elected officers or board members will be installed immediately following the election. In the event that the president has been elected for

a second consecutive term, the next outgoing officer or a member of the board will perform the installation.

ARTICLE IX - BYLAWS

1. Bylaws will be reviewed by the bylaws committee annually or as required to determine their pertinence to the status of the operation of PNHOA. If it is determined that a review is in order, the bylaws committee will review and/or prepare recommended changes and present them to the board within a specified period of time (with time being of the essence). The bylaws committee shall recommend amendments to these bylaws or any provisions thereof and may at any time suggest additions to the bylaws. Each proposed amendment to these bylaws to be adopted shall require the affirmative vote of at least two-thirds of the members of the board: Upon approval by the board, the revised bylaws will be posted for review by the membership. If there are any comments from the membership, the bylaws committee will review such comments and present them to the board for review. If a change is warranted, it must be approved by the board as noted above. A copy of the bylaws will then be submitted to the general membership to be voted on.

2. These bylaws shall supersede any and all other community bylaws.

ARTICLE X - LEGAL

1. All officers, directors, members of committees and others performing approved PNHOA activities on a voluntary basis shall do so without personal liability. PNHOA shall indemnify such persons from all causes of action except unlawful actions that violate state or federal laws.

2. Should it become necessary, PNHOA will provide legal representation for all officers, directors, members of committees, and others performing PNHOA activities provided the activities were performed in accordance with PNHOA bylaws, approved by the board of directors, and not in violation state or federal laws.

GUIDELINES FOR HELPING OUR PNHOA NEIGHBORS IN A TIME OF EMERGENCY

1. Each incident will be considered on a separate need basis.
 - a. Full-time residents only will get monetary help.
 - b. Part-time residents will receive our help in securing their property.
 - c. Natural disasters (storms, flooding, tornadoes, hurricanes) are excluded.

2. We will hold an emergency meeting of officers, directors, and committee heads with the family to ascertain their needs. Examples are as follows:
 - a. Motel room
 - b. Storage unit/POD
 - c. Clothing
 - d. Cash/prepaid credit card
 - e. Physical or medical immediate needs.

3. We will excuse the family and then we will develop a plan of action and get back to them later that day or evening.

4. Only officers and board members can propose a motion and vote. Non-board and committee members will be excused with the family.

5. The family/resident must understand that this assistance is for a very immediate period which is for a short term and/or a limited time.
 - a. Rental of POD/Storage unit - 1 month.
 - b. Motel Room 2-4 days. We will see if Sea-Esta will give us a deal on a room rate.

6. A maximum \$1,000,00 will be expended from all sources, These sources include but may not be limited to POD rental, motel fee, prepaid credit card, and/or medical expenses.

Note: Used clothing or donated items from residents will not be figured into this dollar amount.

7. If need be, we can hold a fund-raiser to assist a particular family if the need exceeds our monetary commitment and the subsequent action is voted on by the board.

This page is purposefully BLANK

Signature Page

These bylaws were adopted at the regular meeting of the Pot-Nets Homeowners Association on the 2nd day of August, 2019.

Handed Fern

President

Bone K

Vice President

Christin Dege

Secretary

Susan Padua

Treasurer

Directors

Christene Kirkpatrick

Janet S. Maccicostas

Steve James

Kathy Chords

[Signature]

BIG MOB