

SOUTHPORT SPRINGS 723 HOMEOWNERS ASSOCIATION, INC.

A Not-For Profit Florida Corporation

BY-LAWS

Revised January 20, 2024

TABLE OF CONTENTS

Article I:	Name, Registered Office and Registered Agent	Page 2
Article II:	Purpose	Page 2
Article III:	Membership	Page 2
Article IV:	Meeting of the Membership	Page 3
Article V:	Board of Directors: Selection-Term of Officers	Page 6
Article VI:	Nomination and Election of Officers	Page 7
Article VII:	Meeting of Directors	Page 8
Article VIII:	Officers	Page 9
Article IX:	Community Newsletter	Page 11
Article X:	Committees	Page 12
Article XI:	Accounting Records; Fiscal Management, Assessments	Page 13
Article XII:	Fiduciary Responsibility	Page 15
Article XIII:	Indemnification	Page 15
Article XIV:	Amendment of By-Laws	Page 15
Article XV:	Amendment of Articles of Incorporation	Page 15
Article XVI:	Loans	Page 15
Article XVII:	Dissolution	Page 16

ARTICLE I

NAME, REGISTERED OFFICE AND REGISTERED AGENT

Section 1. **Name.** The name of this Corporation (hereinafter referred to as the “Association”) is Southport Springs 723 Homeowners Association, Inc., and is incorporated pursuant to Chapters 617 and 723, Florida Statutes, which has designated itself for all households as defined in the “Housing for Older Persons Act of 1995” at 24CFR100, Ch. 1, Subpart E., Sec. 100.305 Et.Seq. The business address of the Association office shall be Southport Springs 723 HOA, PMB 301, 4850 Allen Road, Zephyrhills, Fl 33541-5066. This Post Office Box will be available to receive social events mailings.

ARTICLE II

PURPOSE

Section 1. **THE ASSOCIATION** exists for the purpose(s) as set forth in the ARTICLES OF INCORPORATION, (N03000003146) which by reference are made part of these By-Laws.

Section 2. **BUSINESS PURPOSE.** The Association is established to conduct business and legal matters on behalf of its members including, but not limited to, negotiation with the Developers or Owners of the mobile (hereinafter referred to as “manufactured”) home community known as Southport Springs Golf and Country Club at 3737 Southport Springs Parkway, Zephyrhills, Pasco County, Florida 33541 (hereinafter referred to as “the Community”) for the purchase of the Community in accordance with Section 723.071 of the Florida Statutes, negotiations in accordance with Section 723.037 of the Statutes; resolution of complaints or clarification of issues for the individual members, groups of members, or the entire membership as a whole concerning any and all matters pursuant to Title XL, Chapter 723 of the Florida Statutes. This shall not limit the Association from acting on other matters pertaining to the Community. Upon incorporation and service of the notice described in section 723.076, the Association shall become the representative of all the manufactured home owners in all matters relating to this chapter, regardless of whether the homeowner is a member of the Association.

Section 3. **GOVERNANCE.** The Officers, Directors, and the operation of the Association shall be governed by these By-Laws pursuant to Sec. 723.075 (1) FS.

ARTICLE III

MEMBERSHIP

Section 1. **MEMBERS.** All person(s) owning a manufactured home and leasing lots located in the Community shall be eligible for membership in this Association.

Section 2. **WITHDRAWAL.** A member may withdraw from the Association at any time without any refund.

Section 3. **LEASE SURRENDER.** Manufactured Homeowners who surrender his/her Lease shall cease to be a member without any refund.

Section 4. **MEMBERSHIP DUES AND ASSESSMENTS.** Dues shall be for the period January 1st through December 31st of each calendar year. All member households, existing and new, must have paid annual dues before the date of the Annual Membership meeting in order to have voting rights at that meeting. Other assessments, to be shared equally by the member households, must have the approval of the Board of Directors as well as a majority vote of the membership present at the Annual Membership meeting and be paid in the time and manner prescribed by such vote (Ref.723.078(2)(f)(FS). Any changes to the annual membership dues shall be an amount determined by a majority vote of the members present at the Annual Membership meeting. New Residents purchasing a home and joining the Association after June 30th, but before September 30th of the current year of residency shall pay half of the amount of the annual dues. New residents purchasing a home after September 30th will be offered a complimentary membership for the current calendar year. Current residents shall pay the entire amount irrespective of what time of year they join the Association.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. **PLACE OF MEETING.** Meetings of the members shall be held at the office of the Association, the Community clubhouse, or recreation hall or at any other place within Pasco County, Florida that the Board of Directors or members may from time to time elect.

Section 2. **TYPES OF MEETING.** The Association shall be authorized to hold two types of business meetings but does not preclude other meetings held exclusively for social purposes, or nonbusiness meetings held for the dissemination of pertinent information.

A. ANNUAL MEMBERSHIP MEETING. Members shall meet at least once per calendar year, and the meeting shall be the Annual Meeting. The Annual Membership meeting of the Association shall be held in the month of January. The exact location, date and time of day shall be decided by the Board of Directors to accommodate the maximum attendance possible.. All members of the Board of Directors shall be elected at the annual meeting unless the bylaws provide for staggered election terms or for their election at another meeting. The bylaws shall not restrict any member desiring to be a candidate for board membership from being nominated from the floor. All nominations from the floor must be made at a duly noticed meeting of the members held at least 27 days before the annual meeting. The bylaws shall provide the method for calling the meetings of the members, including annual meetings. The method shall provide at least 14 days' written notice to each member in advance of the meeting and require the posting in a conspicuous place on the park property of a notice of the meeting at least 14 days prior to the meeting. The right to receive written notice of membership meetings may be waived in writing by a member. Unless waived, the notice of the annual meeting shall be mailed, hand delivered, or electronically transmitted to each member, and shall constitute notice. Unless otherwise stated in the bylaws, an officer of the Association shall provide an affidavit affirming that the notices were mailed, hand delivered, or provided by electronic transmission in accordance with this section to each member at the address last furnished to the corporation. These meeting requirements do not prevent members

from waiving notice of meetings or from acting by written agreement without meetings, if allowed by the bylaws.

- B. SPECIAL MEETING.** A Special Meeting of the members may be called at any time by the President or by the majority of the Board of Directors. A Special meeting shall be held if ten (10%) per cent of the member household sign, date, and deliver one or more written demands for the meeting to the Association's secretary. Said demands must describe the purpose or purposes for which the meeting is to be held.

Section 3. **ACTION BY WRITTEN AGREEMENT.** The members can act by written agreement of the members without meetings on the condition that the written agreement is agreed to and signed by at least fifty percent plus one (50% + 1) of the member household and the written agreement is posted in a conspicuous place upon the Community property within fourteen (14) days after the date of the written agreement. The written agreement shall be filed with the minutes of proceedings of the members.

Section 4. **VOTING RIGHTS AND REGULATIONS.** Each member household shall have one vote on all matters requiring a vote. A majority of the votes cast at any duly called and convened meeting of the members at which a Quorum is present shall be sufficient to take or authorize action upon any matter which may properly come before the meeting, unless more than a majority is required by statute, the Articles of Incorporation, or these By-Laws.

- (a) Board members must be elected by written ballot or by voting in person. If a manufactured home or subdivision lot is owned or leased jointly, the owners must be counted as one for the purpose of determining the vote.

Section 5. **ABSENTEE BALLOTS.** Required for the election of members of the Board of Directors and available from the Secretary of the Association. Absentee ballots will be available the day after the January Board of Directors meeting of the Association. Absentee ballots must be returned to the Association President/Secretary in an enclosed envelope with the words "Ballot enclosed" on the front of the envelope. If using USPS, the envelope must be received by the Association on or before **5:00 p.m.** the day before the Annual Membership Meeting.

Section 6. **PROXIES.** Proxies will not be permitted.

Changed Section 7 to meet 723.078(2)(b)

Section 7. **QUORUM.** At the Annual Membership Meeting, or Special General Membership Meetings, **30%** of the total membership households is required to constitute a quorum, whether present in person or by absentee ballot, and shall constitute a quorum.

Decisions shall be made by a majority of members represented at a meeting at which a quorum is present. The exercise of the right to purchase the Community as set forth in Chapter 723.071, Florida Statutes, requires a quorum to be a majority of (50% + 1) of the members. Therefore, for all meetings of members relating to the exercise of the rights provided in Chapter 723.071, Florida Statutes, the presence in person or by *absentee ballot* of a majority (50% + 1) of the members entitled to vote shall constitute a quorum.

Section 8. **PRIOR NOTICE OF MOTION FROM THE FLOOR OR PETITIONS OF MEMBERS.** All petitions requiring action by the Board of Directors or the membership and all motions to be made from the floor must be in writing and delivered to the Secretary of the Board of Directors at least five (5) business days (excluding weekends and holidays) prior to the scheduled membership meeting. Failure to comply with this requirement shall result in the motion or petition being postponed for consideration or action, until the next scheduled regular or special Membership meeting.

Section 9. **CONDUCT.** The Board shall make such regulations as they deem necessary for any meeting of the members in regard to the order of business, proof of membership in the Association, evidence of the right to vote, appointment and duties of Vote Tabulators, and such other matters concerning the conduct of meetings as they see fit.

Such regulations will be binding on the Association and its members.

- (a) All meetings shall be conducted in the relaxed format specified by the latest edition of Robert's Rules of Order prescribed for small Board meetings when not in conflict with the Articles of Incorporation or these By-Laws.
- (b) All Officers, Directors, and Association members will be treated with dignity and respect. Acts of intimidation and harassment will not be tolerated, and the offending members can be removed from the meeting.
- (c) The Board of Directors may appoint a Sergeant at Arms to act in a manner prescribed by the Board to authenticate attending members and maintain order.

Section 10. **ORDER OF BUSINESS.** The order of business for Annual Membership, Special General Membership and Board of Directors Meetings are as per Robert's Rules of order.

- Call to order
- Reading and approving of minutes
- Report of Officers, Boards, and Standing committees
- Report of Special committee, including but not limited to Annual Audit committee, Nominating committee and Bylaws committee.
- Special Orders i.e., Election of Directors
- Unfinished Business and General Order
- New Business

The President has the authority to change or modify the order of business and to limit debate on any issues.

Section 11. **ADJOURNMENTS.** Any meeting of members may be adjourned. Notice of the adjournment or of the business to be transacted there, other than by announcement at the meeting at which the adjournment is taken shall not be necessary. If, however, after the adjournment the board fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given in compliance with Section 4 hereof to each member of record on the new record date entitled to vote at such meeting. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.

Section 12. **VOTING LISTS.** The Secretary, having charge of the membership books of the Association, shall make a complete list of the member household entitled to vote at such meeting or any adjournment thereof. Such a list shall be kept on file at the registered office of the Association.

ARTICLE V

BOARD OF DIRECTORS: SELECTION - TERM OF OFFICE

Section 1. **NUMBER.** The business and affairs of the Association shall be managed and governed by a Board of Directors composed of not less than five (5) nor more than nine (9) directors. Each director must be a resident of Southport Springs. All members of the Board must be current with dues and in good standing in the Association. Only one member from a member-household can be elected to the Board during the same term of office.

- (a) A member or their immediate family cannot serve on the Association Board of Directors if they have an immediate family member who is employed by our community owners in a management position or in administrative position in any community owned by the park owners. For the purpose of this section the immediate family is defined as spouse, parents, children, siblings, and domestic partners. Nor can a member employed by our community owners serve on the Association Board of Directors. The Board of Directors considers this a conflict of interest.
- (b) A member cannot serve on the Association Board of Directors if he or she is not in residency here in Southport Springs for two or more consecutive months within the calendar year and/or is not in residency here in Southport Springs for three months collectively within the calendar year.

Section 2. **TERM OF OFFICE.** A director shall hold office for a term of [2] years with no restriction as to the number of terms any director may be elected. To maintain continuity through elections, the total number of directors elected (or potentially replaced by election) in any one year shall be determined as follows:

- A. When there is an odd number of directors in total, a simple majority (half plus one) directors shall be elected in even years; and
- B. Where there is an even number of directors in total, half shall be elected in odd years. Unless a legitimate or mitigating reason occurs that hinders A, and B such as a national or local state of emergency.

Section 3. **REMOVAL-VACANCY.** Any director may be removed from the Board with or without cause, by a majority of the households of the Association. A special meeting of the members to recall a member or members of the Board of Directors may be called by ten (10%) per cent of the members giving notice of the meeting as required for a meeting of members, and the notice shall state the purpose of the meeting. Any vacancy occurring on the Board from any cause shall be temporarily filled by implementing the following procedures:

- (a) Fill vacancy by appointing the candidate having the next highest vote count in the last general election and for a second vacancy the candidate with the second next highest vote count.
- (b) Both the next highest vote-getter and presidential appointment will fill the vacancy until the next annual meeting at which directors are elected.

The appointed Director, subject to the ratification of the Board, will be named within a reasonable period of time after the close of the meeting when the vacancy occurred. To satisfy legal requirements, said appointed Director must be willing to submit to the Board his/her legal form of ID and residence address at Southport Springs.

Section 4. **COMPENSATION.** No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 1. **NOMINATION.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the Board meeting held at least twenty-seven (27) days prior to the Annual Membership meeting, and at the conclusion of said meeting, nominations for election to the Board of Directors shall be closed. No nominations from the floor shall be accepted at the Annual Membership meeting. The Nominating Committee shall consist of a Chairperson and two or more non-board members of the Association. The Nominating Committee shall be appointed by the Board of Directors in September of each year and at the completion of the election, the Nominating committee shall be duly discharged. The Nominating committee shall be announced at each Annual Membership meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than, the number of vacancies that are to be filled. They shall determine that each nominee be willing to provide, upon election, a legal form of ID and their residence address at Southport Springs. The Nominating committee shall be announced at each Monthly Board meeting.

Section 2. **ELECTION.** Election to the Board of Directors shall be by secret written ballot unless this method is waived by a majority of the member households in attendance at the meeting. During such election, the member household or their absentee ballot, must cast one (1) vote per each vacancy. The persons receiving a plurality of the votes cast for that office shall be elected. Cumulative voting is not permitted. The ballots will contain the names of eligible nominees provided by the nominating committee. Each member or other eligible person who desires to be a candidate for the board of directors shall appear on the ballot in alphabetical order by surname. A ballot may not indicate if any of the candidates are incumbent on the board. All ballots must be uniform in appearance. **Write-in candidates and more than one vote per candidate per ballot are not allowed.** A ballot may not provide a space for the signature of, or any other means of identifying, a voter. Each member household will vote in accordance with the instructions on the ballot. If a ballot contains more votes than vacancies the ballot is invalid

and will be voided. You may vote for fewer candidates than vacancies. In the event of a tie, the existing Board of Directors will vote to break said tie.

Section 3. **RETENTION OF BALLOTS.** Ballots shall be retained by the Vote Tabulators for a period of fourteen (14) days after which, if no recount is requested, they shall be destroyed. The Chair of the election committee shall give the Secretary a signed tally of the votes received by each person for Association records.

ARTICLE VII

MEETINGS OF DIRECTORS

Section 1. **BOARD MEETINGS.** Meetings of the Board of Directors shall be held at least (9) nine times each year at such place, date and hour as may be fixed from time to time by the President. Notice of the date, time and place of all board meetings shall be posted in a conspicuous place upon the Community property at least forty-eight (48) hours in advance, except in an emergency: Open to all members. In the event of an emergency or an “Act of God” and a meeting cannot take place board members will sign an affidavit stating the reason for the cancellation and post the affidavit for residents to review.

Section 2. **SPECIAL MEETINGS.** Special meetings of the Board of Directors shall be called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director of the date, time and place of the meeting. Notice of special meetings shall be posted in a conspicuous place upon the Community property at least forty-eight (48) hours in advance, except in an emergency. The notice of any meeting, regular or special in which assessments against members are to be considered for any reason, shall specifically contain a statement that assessments will be considered and the nature of such assessments.

Section 3. **EMERGENCY MEETINGS.** Emergency meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors. Emergency meetings of the Board of Directors may be held by telephone conference. Emergency decisions, as determined by the President or a majority of the Board of Directors, may be made by means of a designated officer or member of the Board polling the members of the Board by telephone and any such emergency issue or question shall be determined by affirmative vote of a majority of the Board which shall then be considered to be the action of the Board. Minutes of any emergency meeting of the Board, whether by telephone conference, telephone polling or otherwise, shall be filed by the Secretary or other designated officer and the correctness of the minutes shall be certified by said officer and posted in a conspicuous place upon the Community property within fourteen (14) days after the date of the emergency meeting. It is contemplated that emergency meetings include, but not be limited to, such subjects as filling vacancies on the Board of Directors of officers of the Association and the conduct of necessary or important business while a majority of the Board of Directors is not present in the State of Florida.

Section 4. **ACTION BY WRITTEN AGREEMENT.** The Board of Directors may act or render decisions by written agreement without meetings on the condition that the written agreement is agreed to and signed by all of the Board of Directors and the written agreement is posted in a

conspicuous place upon Community property within fourteen (14) days after the date of the written agreement.

Section 5. **QUORUM.** A majority of the number of directors shall constitute a quorum for the transaction of business.

Section 6. **MINUTES.** Minutes of all meetings of the Board of Directors shall be kept in a businesslike manner and shall be available for inspection by members, or their authorized representatives, and Board members at reasonable times. The Association shall retain these minutes for a period of not less than five (5) years.

Section 7. **PARLIAMENTARIAN.** The Board may appoint a parliamentarian whose duties shall be prescribed by the Board.

ARTICLE VIII

OFFICERS

Section 1. **ENUMERATION OF OFFICERS.** The officers of the Board of Directors and the Association shall be one and the same and shall be a president, a vice president, a secretary and treasurer, and such other officers as the Board may from time to time by resolution create. All officers shall at all times be members of the Board of Directors and no officers may be elected or appointed who are not members of the Board of Directors.

Section 2. **ELECTION OF OFFICERS.** The election of officers shall take place at the first meeting of the Board of Directors which shall immediately follow the adjournment of each Annual Membership meeting of the members. The Board of Directors shall elect a President, Secretary, Vice President, and Treasurer who shall perform the duties of those offices customarily performed by officers of corporations. These officers shall serve without compensation and at the pleasure of the Board of Directors. The Board of Directors may elect and designate other officers and grant them those duties it deems appropriate.

Section 3. **TERM.** The officers shall be elected annually by the Board of Directors, and each shall hold office for one year unless he or she shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4. **COMMITTEES.** The Board may appoint regular and special committees to serve for the purposes designated by the Board and for such terms as determined by the Board.

Section 5. **RESIGNATION AND REMOVAL.** Any officer may be removed from office with or without cause by a majority vote of the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at such later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. **VACANCIES.** In the event of death, resignation, or removal of an officer or any vacancy created by reason of adding new offices, the vacancy may be filled by the affirmative vote of a majority of the members of the Board of Directors. The new officer(s) shall hold

office until the end of the next election and in the case of adding new offices, until the next election.

Section 7. **MULTIPLE OFFICES.** The offices of President, Treasurer and Secretary must all be held by different Board members.

Section 8. **DUTIES.** Duties of the officers are as follows:

- A. President: The President shall preside at all meetings of the Board of Directors; see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, contracts and other written instruments, if determined by resolution of the Board and may co-sign all checks and promissory notes, and shall have all of the powers and duties which are usually vested in the office of the President of a corporation, and shall exercise and discharge such other duties as may be required of him or her by the Board of Directors.
 - (a) In the absence of the President, checks may be signed by either of the two appointed board members.
 - (b) The immediate past President of the Association, providing he or she is no longer a member of the Board shall be an “ex officio” member of the Board of Directors for a period of one (1) year. As an “ex officio” member, he or she shall have no voting rights and shall act in an advisory position only.
- B. Vice President: The Vice President shall act in the place and stead of the president in the event of his or her absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board of Directors.
- C. Secretary: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members in the manner required by Section 723.078(2) (e) of the Florida Statutes, for a period of not less than five (5) years. Meetings may be recorded on audio tape as well as written notes. Both forms may be used to transcribe the official minutes. Tapes, if used, must be retained until the minutes have been read and accepted by the members at a subsequent meeting. The official transcribed minutes, and any appended documents, shall be available for inspection by members, or their authorized representative, at reasonable times. The Secretary shall keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as may be required by the Board of Directors.
 - (a) Provide the Community Newsletter (hereinafter referred to as “the Newsletter” and/or “Newsletter” Editor (see ARTICLE IX) with any needed guidance, direction and/or assistance if and/or when needed; and shall perform such other duties as may be required by the Board of Directors.
- C.1. Assistant Secretary: The President, with Board approval, will appoint to the position of Assistant Secretary (which is a non-board member position) any

Association member in good standing, for the purpose of assisting the Board Officers with those duties which shall, from time to time, be required.

- D. Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; shall cause an annual audit of the Association books to be made by the Audit Committee at the completion of each fiscal year; and shall prepare a statement of income and expenditures to be presented to the membership at the February Board of Directors meeting. The Treasurer shall file Form 1120-H by March 31 of each year. This is to be filed with the Internal Revenue Service (IRS) in accordance with 528 of the current IRS instructions. The Treasurer shall keep all financial records for a period of not less than seven (7) years. All requests to the Treasurer for funds in excess of One Hundred Dollars (\$100.00) or more shall be approved by a majority of the Board. Upon resignation of the Treasurer prior to completion of his/her term of office the Audit Committee shall immediately perform their customary audit. The Treasurer shall also exercise and discharge such other duties as may be required of him or her by the Board of Directors. Further, the Treasurer will submit a budget based off of the previous year no later than March 7th of the election year.

D.1. Assistant Treasurer: The President, with Board approval, will appoint to the position of Assistant Treasurer (which is a non-board member position) any Association member in good standing, for the purpose of assisting the Board Officers with those duties which shall, from time to time, be required. Quarterly Audits will be done by the Assistant Treasurer and a report prepared and read at the next Association Board Meeting.

- E. Customary Duties: The officers, in addition to the duties specifically set forth herein, shall perform the duties of those offices customarily performed by officers of corporations.

Section 10. **COMPENSATION**. The officers shall serve without compensation.

ARTICLE IX

COMMUNITY NEWSLETTER

Section 1. **EDITOR**. The Board may at its discretion, cause to be published, a periodic Community Newsletter for purposes of communicating current and/or future events of interest within the Community and will assign annually, a resident to act as Editor of said publication.

- A. The Editor will be responsible to the Association Board Secretary

Section 2. **CONTENT**. In addition to current and future events, the Newsletter may also include information such as calendar of events and contact information as well as business Ads which may or may not be paid for by the business or organization placing the Ad. Ad pricing will be reviewed annually and may or may not be increased or decreased.

Section 3. **DISTRIBUTION.** The method used to distribute the Newsletter shall include making it available on-line at the Southport Springs 723 HOA website (southportspringshoa.com) and/or, at the discretion of the Board, be available in hard copy form for which the Board may charge a fee for purposes of offsetting the cost of printing.

- (a) The fee for a hard copy, which will be charged for the purpose of offsetting the cost of printing may be pro-rated at the discretion of the Board.
- (b) Distributing the hard copy form shall be the responsibility of the Board members or one or more Board appointees. The hard copy form can be picked up by the subscriber at a central location to be determined by the Board.

ARTICLE X COMMITTEES

Committees may be added, eliminated, combined, re-named, or given new responsibilities by a majority vote of the Board of Directors.

Section 1. **NOMINATING COMMITTEE.** The nominating committee shall consist of one (1) Board member as Chairperson whose term will not expire in the next upcoming election and a minimum of two (2) additional non-Board members appointed by the Board at the September meeting. The committee shall, in accordance with specifications provided in these Bylaws and written instructions, if any, provided by the Board, canvass the members for any nominees wishing to stand for election to the Board of Directors. A list shall be submitted to the Board not later than November 30th prior to the next election.

Section 2. **ELECTION COMMITTEE.** The election committee, designated at the December Board meeting, shall consist of a non-board member Chairperson and at least three (3) other non-Board members, two (2) of which shall be designated vote tabulators, to serve until the conclusion of the election of the Board of Directors at the Annual Membership meeting, 14 days after which the committee will automatically be discharged.

Section 3. **BY-LAWS COMMITTEE.** The By-Laws Committee shall consist of one Board member as Chairperson and at least four (4) non-board members whenever the Board deems it necessary to develop additions, deletions or corrections to said by-laws. The proposed additions, deletions or corrections to said By-Laws are to be presented to the Board of Directors for their perusal prior to being submitted to the general membership for their approval at a Special Meeting or Annual Meeting

Section 4. **AUDIT COMMITTEE.** The audit committee, who have not participated in the previous audit, shall be appointed by the Board at the December Board meeting, and shall audit the Treasury accounts and provide a report to the membership at the February Board meeting. The committee shall consist of a non-Board member Chairperson and at least two (2) other non-Board members of the Association.

- (a) At the discretion of the Board, an outside audit may be completed with results and recommendations presented to the Board.

Section 5. **SOCIAL COMMITTEE.** The Social Committee shall consist of one Board member as Chairperson and a number of non-Board members deemed appropriate by that Chairperson and will be appointed by the Board at the February meeting. The Social Committee shall develop scheduling and coordinate social events that promote socialization and goodwill for the residents of Southport Springs.

Section 6. **ENTERTAINMENT COMMITTEE.** The Entertainment Committee shall consist of one (1) Board Member Chairperson, two (2) Board Members and three (3) Non-Board Members deemed appropriate by the Chairperson who will be appointed by the Board at the February meeting. The Entertainment Committee shall organize and manage special events for the residents of Southport Springs. The committee will ensure all special event dates within the Community are approved by the Southport Springs Management Team. Committee member(s) will be assigned to manage and oversee special events on site while the event is in progress. The special events include:

- (a) coordinating a variety of events to ensure residents' social preferences are fulfilled;
- (b) hiring entertainers, when necessary, to perform in the Community; and
- (c) providing Special Events outside of the Community.

Section 7. **WELCOMING AND MEMBER RECRUITMENT COMMITTEE.** The Welcoming and Member Recruitment Committee shall consist of one (1) Board member as Chairperson and at least three (3) non-Board members. They will be appointed by the Board at the February Board meeting. This committee will assist in welcoming new residents to Southport Springs as well as promote membership in the Homeowner's Association and may host up to two (2) welcoming events annually; one in May and one in November if needed. Additionally, they will assist the Secretary during the month of December in subscribing membership renewals at a designated time and place advertised by the Board.

Section 8. **STANDING COMMITTEE REPORT.** Social committee, Entertainment committee, and Welcoming and Member Recruitment committee shall submit a report at the monthly Association Board of Directors meeting.

ARTICLE XI

ACCOUNTING RECORDS; FISCAL MANAGEMENT; ASSESSMENTS

Section 1. **BOOKS AND RECORDS.** The Treasurer shall keep correct and complete books and records of account including all receipts and expenditures. The books and records of the Association shall be open to inspection by members or their authorized representatives at reasonable times, upon written request, submitted by certified mail, return receipt requested. Such authorization as a representative of a member must be in writing and signed by the person giving the authorization and dated within thirty (30) days of the date of the inspection. Written summaries of the accounting records shall be made available to the members. Such records if made available shall include a record of all receipts and expenditures.

Section 2. **FISCAL YEAR.** In administering the finances of the Association, the following procedures shall govern:

- A. The fiscal year shall be the calendar year.
- B. Any monies received by the Association in any calendar year may be used by the Association to pay expenses incurred in the same calendar year subject to the provisions for excess revenues set forth in paragraph E of this Article.
- C. There shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in one calendar year for operating expenses which cover more than such calendar year.
- D. Items of operating expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received.
- E. The Board of Directors shall have the discretion to allocate excess funds between reserves, legal funds, future expenses and current expenses. Legal expenses shall be such items as:
 - 1. Attorneys fees and costs;
 - 2. Litigation expense;
 - 3. Liability insurance premiums;
 - 4. Expenses associated with statutory requirements, or actions involving disputes with the management of the Community. Such items as listed above but not limited to those items.
- F. Funds donated by the Association Board to committees within the community for purposes of assisting in the financing of Community sponsored “fund raising charitable” events shall be used for those purposes only and not donated directly to outside charitable entities unless approved by majority vote of the Membership, after a quorum has been met.
- G. Any motion of the Board requesting funds in excess of \$3,000 must be approved by a majority vote of the membership. after a quorum has been met.

Section 3. **DEPOSITORY.** The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board. Electronic Fund Transfers (EFT) are permitted with the consent of at least two members of the Board.

Section 4. **CREDITS CARDS.** The Association may have up to two (2) credit cards issued by a reputable lending institution to be used for Association-related expenses only. The possession and use of said credit cards will be limited to the current President and Secretary of the Association. The amount per transaction shall be limited to \$400.00.

ARTICLE XII

FIDUCIARY RESPOSIBILITY

The officers and directors of the Association shall have a fiduciary relationship to all members.

ARTICLE XIII
INDEMNIFICATION

To the extent permitted by law, the Association shall indemnify and hold harmless each Director and Officer of the Association from any liability, loss, claim, action or suit. This is to include, but not limited to, attorney's fees and costs arising from or by virtue of such action, except willful or gross malfeasance taken or failure to take action relative to service as Director or Officer.

ARTICLE XIV
AMENDMENT OF BY-LAWS

These Bylaws will be subject to review every year and if required may be amended by majority vote of the membership households present at any noted special meeting or at an Annual Membership meeting in the following year. At a minimum, the by-laws shall be reviewed by November of every odd year.

ARTICLE XV
AMENDMENT OF ARTICLES OF INCORPORATION

The Articles of Incorporation of this Association may be amended by majority vote of the membership present at any duly noted special meeting or at an Annual Membership Meeting. The notice of any meeting at which amendments to the Articles of Incorporation are to be considered shall contain a statement that amendments to the Articles of Incorporation shall be considered.

ARTICLE XVI
LOANS

No loans shall be contracted on behalf of the Association, and no evidence of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors and approved by a majority vote of the membership present at any duly noted special meeting or at an Annual Membership Meeting. Such authority may be general or confined to specific instances. For the purposes of this section, the definition of "loans" does not include the approved credit cards for the Association.

ARTICLE XVII
DISSOLUTION

This Corporation may be dissolved by the Board of Directors adopting a resolution recommending that the Corporation be dissolved, and having the membership adopt a resolution to dissolve the Corporation, which resolution shall be adopted upon receiving at least a majority of the votes which members present at such meeting, are entitled to cast. The Board of Directors shall recommend to the members a plan of distribution of assets, which plan may provide for the sale or disposal of all real property, if any, tangible personal property and the distribution of all receipts from said sales, together with all funds of the Corporation, directly to all then current dues paying members on a pro-rata basis. The plan of distribution shall be adopted by at least a majority of the votes which the members present at such meeting are entitled to cast.

DATED: January 20, 2024

I hereby certify that the foregoing is a true and correct copy of the By-Laws as amended by the General Assembly January 20, 2024.

By: Barbara Holding
President

Samuel DeLeon
Vice-President

Jessie H. Zberman
Secretary

Tim Hill
Treasurer