

**Ham Lake Area Chamber of Commerce
Bylaws
Approved by Membership - 10 December 2008**

ARTICLE I – General

Section 1. Name

The name of this organization shall be the Ham Lake Chamber of Commerce dba. as the Ham Lake Area of Commerce.

Section 2. Purpose

The Ham Lake Area Chamber of Commerce (hereinafter referred to as the Chamber) is organized to advance the general welfare and prosperity of the Ham Lake Area so that its citizens and all areas of its business community shall prosper. All necessary means of promotion shall be provided and particular attention and emphasis shall be given to the economic, civic, commercial, cultural, industrial and educational interests of the area.

Section 3. Limitations of Methods

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.

ARTICLE II – MEMBERSHIP

Section 1. Eligibility

Any reputable person, association, corporation, partnership or estate with a business in the City of Ham Lake or its trade area, or doing business in the city, or interested in the city's commerce, shall be eligible for membership by making application and paying the annual dues.

Section 2. Elections (How application is made, received, approved)

Applications for membership shall be made on an application form provided by the Chamber and shall be regarded as an affirmation on the part of the applicant of his or her interest in and sympathy with the purposes of the Chamber, and his or her adherence to its bylaws, rules and regulations. Applications will be submitted to the Chamber Board of Directors, hereafter referred to as Board, for their final approval. Memberships approved by the Board will begin upon payment of the prescribed membership dues.

Section 3. Dues

The Board of Directors shall set the amount of the annual dues from time to time. Membership shall be on an annual basis from January 1st through December 31st. New members joining during the year shall pay a prorated fee for the number of months remaining in the year. An applicant who has not been a member for at least one year from the date of application shall be considered a new member.

Section 4. Exercise of Privileges

Each paid membership shall designate one representative, and shall be allowed one alternate to act on behalf of the designated representative in his or her absence.

Section 5. Voting

In any proceeding in which voting by members is called for, each member in good standing shall be entitled to cast one vote.

Section 6. Expulsion

Members may be expelled by the Board of Directors for cause. No member may be expelled without the opportunity for a hearing before the Board. A charged member shall request a hearing in writing. The Board shall have at least ten (10) days written notice of the hearing. A three-fourths (3/4) vote of the quorum all directors present shall be necessary to expel a member.

Section 8. Resignations

Dues are non-refundable for members who resign, unless within the first three (3) months of membership, when dues can be refunded at the discretion of the Executive Director. It is understood that non-payment of dues, death, and resignation of a member shall terminate his or her membership. The termination of a membership shall work a forfeiture of all interests of the member in the corporation.

Section 9. Orientations

At regular intervals, orientation on the purposes and activities of this organization shall be conducted within the following groups: new officers and directors, current officers and directors, committee chairpersons, committees and new members. A detailed outline for orientation of each of these groups shall be a part of this organization's procedures manual.

Section 10. Honorary Membership

Distinction in public affairs shall confer eligibility to honorary membership. Honorary members shall have all the privileges of members except the right to vote, and shall be exempt from payment of dues. The Board of Directors shall confer or revoke honorary membership of a majority vote.

ARTICLE III – MEETINGS

Section 1. Annual Meeting

The annual meeting of the Chamber shall be held during December of each year. The time and place shall be determined by the Board and the notice shall be given to each member at least ten (10) days before said meeting, in a manner approved of by the Board. The annual election of offices shall be announced at the annual meeting. The annual reports shall be presented at the annual meeting.

Section 2. General Membership Meetings

The general membership shall meet at least once a month. The Chamber Board shall determine the date, time, and place of the general membership meetings. Changes to the designated time of the regularly scheduled monthly general membership meetings may be made by the Chamber Board provided that a five day notice is given to each member by phone, in writing, or via electronic communications.

Section 3. Board of Director Meetings

The Chamber Board shall meet at least once a month to approve the Gambling Documents and chamber business. These meetings are open to all members.

Section 4. Special Meetings

Regular or special meetings of the membership may be held at such times and places that the Board may determine, or upon written request of ten percent (10%) of the members in good standing, provided that when called other than by the Board, the notice shall contain a statement of the purpose of the meeting, and shall be issued at least three (3) days preceding the meeting. The Chair of any committee shall give at least three (3) days notice to all members of the committee regarding any meeting. Any policy changes arrived at the any committees must have the approval of the board.

Section 5. Referenda

Upon the request in writing of 10 percent (10%) of the members in good standing, the Board shall, or upon its own initiative may submit a question to the members for a

referendum vote. The ballot for such vote is to be accompanied by briefs stating both sides of the question.

Section 6. Quorum General Membership Meetings

At all meetings of the general Chamber membership a quorum shall be seven members in good standing.

Section 7. Quorum Board of Directors Meetings

Four sevenths of the Board of Directors shall constitute a quorum at the Board of Directors meetings.

ARTICLE IV – BOARD OF DIRECTORS

Section 1. Composition of the Board

The Board of Directors shall be composed of 7 members, whom shall be elected to serve for two (2) years or until their successors are elected and have qualified. The President, Vice President and two board members will be elected to begin their service in the even years and the Secretary and two board members will be elected to begin their service in the odd years. The past President may serve as a member of the Board. No director shall serve more than 6 years consecutively. Directors are not eligible to be Board Members of competing chambers without specific and ongoing approval of the Board.

Section 2. Duties and Responsibilities of the Board

The government and policy-making responsibilities of the Chamber shall be vested in the Board of Directors, which shall control its property, be responsible for its finances, and direct its affairs.

Section 3. Nominations and Selection of Directors

Nominations will be accepted for open Board positions from October 1st to November 1st each year. The Board will publish a notice during September of each year. The nominating committee shall consist of 3 chamber members appointed by the President and is subject to board approval. The committee shall nominate a slate of candidates from the received applications. Additional nominations may be made by any member filing the names of the nominee(s) with the nominating committee. The final slate of nominees shall be filed with the President or designee not later than November 1st.

Section 4. Ballots

The Secretary/Treasurer shall notify in writing all members of the Chamber fourteen (14) days prior to the election a ballot of nominees. Ballots may be returned in person,

mailed, emailed or faxed in to the Chamber office prior to the annual meeting. The results of the election will be announced at the annual meeting.

ARTICLE V – OFFICERS AND EMPLOYEES

Section 1. Terms

All terms of office shall be two years. Any individual may serve as an officer for three consecutive terms, serving in any one office for no more than four years. After six years of consecutive service, a period of one year must elapse before he or she is again eligible for any office. The term begins on January 1st of each year through December 31st of the next year.

Section 2. President

Duties: Please refer to attachment Addendum A

The President shall preside at all meetings of the Chamber and perform all duties incident to this office. He or she shall appoint all committees and shall be ex-officio member of all committees. The President shall receive a stipend to help defray the expenses associated with oversight of the gambling responsibilities of the position. That compensation shall be reviewed and approved annually by the general membership.

Section 3. Vice-President

The Vice-president shall act in the absence of the President, and in the absence of the officers named; any officer shall be chosen to act.

Section 4. Secretary/Treasurer

The Secretary Treasurer shall be responsible for overseeing the accounting of the Chamber assets. Insure the integrity of the financial reporting process. Submit financial reports to the Board at intervals as determined by the Board.

Section 5. Employee – Executive Director

The general membership may, but is not required to, employ an Executive Director. Compensation shall be determined by the Chamber Board and shall be in accordance with State and Federal payroll law. Duties of the Executive Director shall be to assist in the performance of the duties of the Secretary/Treasurer, and other duties authorized and determined by the general membership.

- a. The Executive Director shall receive and disburse the funds of the Chamber.
- b. The Executive Director shall maintain the moneys of the Chamber in a bank account, and present monthly to the general membership a Treasurer's report.

- c. The Executive Director shall conduct the official correspondence, keep and maintain books of account and minutes of meetings, and preserve all books, documents, and communications.
- d. The Executive Director shall submit an annual financial statement and a written report of the Chamber's activities to the membership at the close of the year.
- e. The Executive Director may be required to furnish surety bonds in such amounts as the general membership may deem necessary, the cost to be paid by the Chamber.

Section 6. Employee – Gaming Manager

Duties: Please refer to attachment Addendum B

The general membership may, but is not required to, employ a Gambling Manager. Compensation shall be determined by the Chamber Board and shall be in accordance with State and Federal payroll law. Duties of the Gambling Manager shall be in accordance with the Minnesota Gambling Control Board Compliance Regulations as defined in the LG 202 Compliance Control Guidelines.

Section 7. Employee – Hiring Procedure for Executive Director and Gaming Manager

The Chamber President shall name a personnel committee of 5 members – two (2) of these committee members shall be on the Board of Directors and the other three (3) may be from general membership and/or Board of Directors. This committee of 5 will interview the applicants and then forward the top candidates to go to a second interview process, which will consist of the Chamber President and three committee members from the personnel committee. The Chamber President will make the employment offer to the candidate.

Section 8. Vacancies – Board of Directors

A member of the Board of Directors who shall be absent from three (3) consecutive regular meetings of the Board of Directors shall automatically be dropped from membership on the Board unless confirmed by illness or other absence approved by a majority vote of those voting at any meeting thereof. The Board of Directors shall fill vacancies on the Board of Directors, or among the officers, by a majority vote.

ARTICLE VI – BUDGET AND DISBURSEMENTS

Section 1. Fiscal Year

The fiscal year for tax purposes shall end December 31st.

Section 2. Budget

During the 4th quarter the Board of Directors shall adopt the budget for the next fiscal year.

Section 3. Disbursements

Upon approval of the budget, disbursements may be made of approved items without additional approval of the general membership. The Board of Directors shall approve all disbursements of funds not authorized in the budget.

Section 4. Check Signing

No obligations or expenses \$500 or over shall be incurred or appropriated without prior approval of the Board and these checks must be signed by two officers.

Section 5. Annual Audit

The Board of Directors shall require a compilation financial statement, on the close of business December 31, or any other such time as deemed appropriate. The results of this compilation shall be reported to the Board. The Board of Directors may audit annually the books of account of the Chamber at the close of the fiscal year and report its findings to the general membership.

ARTICLE XII – PARLIMANENTARY PROCEDURE

Section 1. Authority

The latest edition of Roberts' Rule of Order shall govern the proceedings of the Chamber meetings.

ARTICLE XIII – AMENDMENTS

Section 1. Revision

The Board shall establish an ad hoc committee to review the Bylaws three (3) months prior to the Annual Meeting of the membership. The Board shall present proposed Bylaw changes to the Annual Meeting of membership for approval.

Section 2. Approval

These bylaws may be amended by a two-thirds vote of the general membership present at the Annual meeting if the Chamber, provided that members have been notified of the proposed changes in writing not less than fourteen (14) days prior to such meeting.

ARTICLE XIV – DISSOLUTION

Section 1.

This corporation may be dissolved upon a two-thirds vote of members in good standing. Notice of the vote to dissolve the corporation shall be published in the local paper serving the area for three weeks prior to the vote. Members shall be notified in writing three (3) weeks before the vote.

Section 2.

Upon dissolution of this corporation, all of the assets in the property of the corporation shall, after payments of its just debts and obligations, be distributed to the City of Ham Lake.

Addendum A

Duties of Chamber President
MN Lawful Gambling
LG202 Internal Control Guidelines

Our organization is responsible for developing a system of internal accounting and administrative controls for our lawful gambling operation. Our system meets the following standards:

- (1) Transactions are made with the authorization of our organization's management.
- (2) Gambling revenue transactions are recorded properly and completely to maintain accountability for assets.
- (3) Assets are secured and access to assets is only permitted with the authorization of the Chamber's Board of Directors.
- (4) Recorded gambling funds and equipment are monitored on an on-going basis and discrepancies are resolved.
- (5) Separation of duties, functions, and responsibilities to protect the organization from theft and fraudulent reporting and ensure compliance with all lawful gambling reporting requirements.
- (6) Fair play of the games to the public is not restricted.

Functional Responsibilities are listed:

- (1) Expenditures – Ensures prior authorization for all gambling expenditures is obtained from membership
- (2) Bank Account and Deposits – Signature on bank account requires two authorized signers.
- (3) Inventory – Conducts month-end physical inventory.
- (4) Audits and Variances – Investigates and resolves fund losses (theft) of missing inventory, tickets, and/or receipts.
- (5) Establish procedures to ensure security over assets (equipment and receipts).
- (6) Establishes procedures for opening/closing games, and for the conduct of games that ensures that fair play to the public is not restricted.
- (7) Develops job descriptions for employees and volunteers.
- (8) Performs random spot checks of closed games.
- (9) Ensured that illegal gambling is not conducted at all permitted premises.

Addendum B

Gambling Manager Duties

The Gambling Manager's primary duties are listed below:

- (1) Supervises all gambling employees.
- (2) Hires, fires and disciplines all gambling employees.
- (3) Reviews and monitors conduct of all games.
- (4) Determines product to be purchased and put into play.
- (5) Verifies all receipts and disbursements.
- (6) Verifies that month end physical inventory has been compared to perpetual inventory and variances resolved.
- (7) Supervises all licensing and reporting requirements.
- (8) Assures compliance with all laws and rules related to lawful gambling, and assures that illegal gambling is not conducted at permitted premises.
- (9) Attends majority of organization meetings.

Internal Control Guidelines are listed:

- (1) Verifies reports submitted to Gambling Control Board and Revenue.
- (2) Presents monthly gambling report to the Chamber Board and membership
- (3) Monitors expense calculations for compliance.
- (4) Maintains the check register. Is not a signer on the checking account.
- (5) Prepares checks for signature.
- (6) Prepares bank deposits.
- (7) Deposits gambling receipts.
- (8) Verifies and resolves profit carryover balances.
- (9) Investigates and resolves fund losses (thefts) of missing inventory, tickets and/or receipts.
- (10) Investigates and resolves cash shortages and notifies Chamber President.
- (11) Does NOT perform final audit of closed games.
- (12) Does NOT reconcile bank statement to checks, electronic transfers and payment and deposits listed in check register. Does NOT reconcile bank deposits to game and bank records.