

BYLAWS OF THE MODEL RAILROAD CLUB, INC. TM

PREAMBLE

The Bylaws of The Model Railroad Club, Inc. are authorized by Article VII, Section 1 of the Constitution and take effect upon adoption by the Board of Directors (BOD).

ARTICLE I OFFICES

REGISTERED OFFICE -- The registered office shall be established and maintained at The A. Paul Mallery Model Railroad Center at Number 295 Jefferson Avenue, in the Township of Union, in the County of Union, in the State of New Jersey. The president shall be the registered agent of this corporation in charge thereof.

ARTICLE II MEMBERSHIP

SECTION 1.

A. **INACTIVE MEMBERSHIP**-- The Board shall allow an active member in good standing, upon petition to become an inactive member should the member move out of state or otherwise be in a situation where active participation in Club activities becomes impossible. An inactive member may attend or help out during the annual show without losing inactive status; however participation in club operating sessions and other activities is reserved for active members. An inactive club member may resume active status upon resumption of paying active member dues. Inactive members may observe club operating sessions and visit the Club during Saturday visiting hours on an occasional basis. An inactive member shall receive the Clearboard.

SECTION 5. DUES

A. All Members:

1. Dues shall be paid at the rates prescribed in the Dues Rate Schedule of the Bylaws.
2. Application fees and dues payments shall not be refundable.
3. Changes in the dues rates shall become effective on the first day of the next monthly or annual period following the BOD meeting at which the change is approved, with no prorating for any fraction of a dues period.
4. Whenever a member's dues obligation is changed by action of the BOD, the new dues obligation begins on the first day of the next month following the BOD meeting at which the change is approved, with no prorating for any fraction of a dues period.
5. Dues paid for the current dues period shall not be applied or prorated toward the new dues obligation. However, dues paid beyond the current monthly or annual dues period shall be applied to the new dues obligation as far as the dollar amount permits.
6. Unless waived by the BOD, any unpaid fees and unpaid balance of the former dues obligation shall remain due and payable in addition to the dues applicable to the new dues obligation.
7. Whenever the dues rate is changed, paid-ahead dues shall be applied to future dues obligations as far as the dollar amount permits.
8. Payments of odd amounts shall be acceptable, and shall be applied as far as the dollar amount permits. However, dues obligations or payments shall not be prorated within any dues period.
9. Whenever the dollar amount of paid-ahead dues shall become less than the current monthly or annual dues rate, the next period's dues shall be considered

unpaid on the first day of that period, and if the outstanding balance remains unpaid, delinquent on the first day of the following month.

10. Any bank charges resulting from a dishonored check shall be repaid by the member. Such fees shall have priority over dues payments.

B. Active and Family Members:

1. Monthly dues of a **Senior, Junior, or Family** member shall be due and payable on the first day of that month. Unpaid dues for any month shall become delinquent on the first day of the next month. Dues payments shall be applied, as far as the dollar amount permits, first to any fees due, then to any delinquent dues balance, then to the current month's obligation, and finally to future dues obligations.
2. When dues of a **Senior, Junior, or Family** member become two months delinquent, a late fee of ten per cent of the entire dues balance shall be assessed. An additional late fee of ten per cent of the entire dues balance plus accumulated late fees shall be added on the first day of each month thereafter that any dues delinquency persists, unless waived by BOD action.
3. The dues obligation of a new **Senior, Junior, or Family** Member shall begin on the first day of the next month after acceptance as a member.
4. The dues obligation of an **Active or Family** Member shall continue while that member is paying installments on a Life Membership. Such installments shall constitute paid-ahead Senior, Junior, or Family Member dues (whichever rate applies) until the final installment is paid.
5. When a member whose dues are current makes final payment on a **Life** Membership no further payment of dues shall be required.

C. Inactive Members

1. Annual dues of an **Inactive** Member shall be due and payable on the first day of the next month following BOD approval of the application for Inactive Membership, and on the first day of that month each year thereafter.

SECTION 6. DISCIPLINARY HEARINGS

- A. This Bylaw shall govern all disciplinary hearings, including those for revocation of membership.
- B. The BOD shall constitute a valid venue and is a deliberative assembly for the purpose of conducting all disciplinary hearings.
- C. The appropriate section(s) of Robert's *Rules of Order* as applicable shall guide all procedural processes for conducting all disciplinary hearings.

ARTICLE III BOARD OF DIRECTORS

SECTIONS 1 THRU 7. (RESERVED)

SECTION 8. BOD MEETINGS

- A. The BOD may, at its discretion and with sufficient notice, change the dates and times of its meetings. Posting of any BOD meeting date and/or time changes on the message board in the Club building lobby and/or on the Club website shall constitute sufficient notice.
- B. Reports to the BOD shall be in written format, with sufficient copies for each member of the BOD and an additional copy for the Club records. Software used in the preparation of these reports is of the individual's choice, but must be content-interchangeable with the then-current selected software programs in use on Club computers.

ARTICLE IV NOMINATING COMMITTEE

SECTION 3. The Chair and members of the Nominating Committee shall be appointed by the BOD. The duties of the Nominating Committee shall be:

- A. To secure one nominee for each of the elective positions other than Activity Department Heads.
- B. To obtain the written consent of each nominee to serve.
- C. To submit the list of nominees to the Editor of The Clearboard in time to be included in the issue preceding the Annual Meeting.
- D. To enter those nominations at the Annual Meeting.

ARTICLE V MEETINGS OF MEMBERS

SECTION 1. ORDER OF BUSINESS AT THE ANNUAL MEETING -- The order of business of the annual membership meeting shall be as follows:

- A. The reading of the minutes of the last annual membership meeting and all membership meetings since the last annual membership meeting.
- B. The reports of the officers.
- C. The reports of the administrative departments.
- D. The reports of any Presidential committees.
- E. The auditors report.
- F. Old business.
- G. Elections for officers and the two directors at large.
- H. New business.

SECTION 2. ORDER OF BUSINESS AT A SPECIAL MEMBERSHIP MEETING -- The order of business of a special membership meeting shall be as follows:

- A. A statement by the presiding officer of the announced purpose of the meeting.
- B. Minutes of previous special meetings of which this meeting is an adjournment, if any.
- C. Reports of Committees relevant to the purpose of this meeting.
- D. Old business relevant to this meeting.
- E. New business relevant to this meeting.

ARTICLE VI DEPARTMENTS & COMMITTEES

SECTION 1. ADMINISTRATIVE DEPARTMENTS -- The BOD, at their first meeting after the annual meeting, shall divide up the following administrative departments among themselves: Building Department, Membership Department, and Development Department.

SECTION 2. BUILDING DEPARTMENT -- The building department shall be responsible for the maintenance and security of the Club's building. The Building Department Head may appoint at any time, with approval by the BOD, such Building Managers as he or she deems necessary to assist him or her in maintaining and securing the building. These Building Managers shall report to and receive their instructions and budgets from the Building Department Head. Each Building Manager's title shall be descriptive of that Manager's duties, e.g., *Building Security Manager*. Each Building Manager's duties shall be specified in writing. A Building Manager may, with the approval of the Building Department Head, form and lead a working group or committee to assist in the performance of his or her duties.

SECTION 3. MEMBERSHIP DEPARTMENT -- The membership department shall prepare literature explaining the activities of the Club, membership application forms for all classes of membership, a roster of Club members and friends of the Club, including mailing address and phone number on the Club's computer, and shall post a list of Club members excluding address and phone numbers on the Club's bulletin board. An updated copy of the Club's membership including addresses and phone numbers shall be distributed to all active members on a regular basis. The membership department shall greet and try to recruit all

visitors expressing an interest in membership and explain the activities of the Club. The membership Department shall provide the Clearboard Editor with mailing labels each month for the Clearboard. The Treasurer shall provide a list of all people dropped from membership because of non-payment of dues and a count of the members at each regular Board of Directors meeting. The Membership Department Head shall present to the Board of Directors each month all those people who are eligible for membership. The membership department shall maintain on file the original application for membership of each member. The files shall be subdivided by membership class and by present member or former member. The membership department shall maintain a bound copy of the Constitution and By-Laws in an accessible location for reference by any Club member.

SECTION 4. DEVELOPMENT DEPARTMENT -- The Development department shall be responsible for all fundraising and for publicizing the Club's activities. The Development department shall be the sole public voice of the Club. The Development Department shall also be responsible for staging the annual layout show. The Development Department shall supervise the Workshops and Show committees.

SECTION 5. STANDING COMMITTEES -- The following standing committees shall be created by the BOD and shall report to the BOD, through a designated BOD member: Security Committee, Nominating Committee, Workshop Committee, Auditing Committee, and the Dues Advisory Committee.

SECTION 6. SECURITY COMMITTEE -- The security committee shall be responsible for the security of the building. The Building Security Manager shall head this committee. Its duties are:

- A. To recommend to the BOD through the Building Department Head procedures and equipment for safeguarding the Club building, members, visitors and contents against theft, vandalism, fire and accidental damage or injury.
- B. To install and maintain the burglar and fire alarms and other security equipment in the building.
- C. To maintain an access list, of persons authorized by the BOD to have the combination to the front door lock and key.
- D. To have keys to all locks in the building and to give copies of the keys to individual active members as authorized by the active member responsible for the lock.
- E. To provide, on request, to persons on the Access list the combination to the front door lock and instructions in the operation of the burglar alarm.
- F. To change the combination to the front door lock and to re-key or change combinations to other locks, when necessary.
- G. To provide forms requesting access to members and to present members requesting access to the BOD through the Building Department Head with a recommendation on the fitness of the applicant for access.
- H. Budget Authority shall be through the Building Department budget.

SECTION 7. AUDITING COMMITTEE -- The Chair and members of the Auditing Committee shall be appointed by the BOD. The duties of the Auditing Committee shall be:

- A. To audit all financial books and membership records including minutes of meetings for accuracy and clarity.
- B. To prepare and submit a written report to the Annual Meeting with a copy to the Editor of The Clearboard.

SECTION 8. WORKSHOP COMMITTEE -- The Workshop Committee shall be responsible for the running of the workshops. The Chair shall be appointed by the BOD and shall serve until replaced. Budget authority shall be through the Development Department.

SECTION 9. DUES ADVISORY COMMITTEE – The Dues Advisory Committee shall be

responsible for recommending to the BOD appropriate actions concerning membership dues and fees.

A. ORGANIZATION

1. The President of the Club shall chair the committee.
2. The order of succession for chairing the committee shall be Vice-president, then Secretary, then Treasurer.
3. The Secretary of the Club shall also serve as the secretary of the committee.
4. In the absence of the Secretary, the committee shall elect a secretary for the meeting from amongst themselves, minus the presiding officer.
5. Activity department committee members shall be appointed by the department head of their respective departments, subject to ratification by the full BOD, and shall serve until replaced.
 - a. Activity department members shall remain in good standing for the duration of their service on the committee.

B. MEETINGS

1. The committee shall meet a minimum of two times per year, in April and September, and may meet at other times based on need, at a time convenient to the committee members.
2. Four members of the committee, at least two of which must be officers and at least one of which must be an activity department representative, shall constitute a quorum.
 - a. Proxies shall not be permitted.
 - b. In the event a quorum is not achieved, the meeting shall be rescheduled at the earliest possible date convenient to committee members.
3. A plurality of the votes cast shall be sufficient to decide matters requiring a vote.
4. The chair shall not participate in committee votes, except when it is necessary to break a tie vote.

C. DUTIES

1. The committee shall review the most recent available monthly and year-to-date financial statements. The Treasurer shall insure that these documents are up to date and available prior to the start of all scheduled meetings of the committee.
2. The committee shall review the Club's current and long-term financial needs and obligations, and shall determine if revenue projections are sufficient to meet those needs and obligations.
3. The committee shall review all sources of Club income and determine if the proper revenue percentage requirements mandated under relevant sections of the Internal Revenue Code are being maintained.
4. The committee shall prepare written recommendations to the full BOD, based on the committee's reviews and discussions.
5. The President shall report the committee's recommendations at the first scheduled BOD meeting after the committee's meeting.
6. The committee's recommendations to the BOD shall be non-binding.

ARTICLE VII. MISCELLANEOUS

SECTION 1. FISCAL YEAR -- The fiscal year shall be the calendar year.

SECTION 2. ANNUAL SHOW DATES -- The annual show shall be held on the three weekends following Thanksgiving. The times shall be specified by the BOD.

SECTION 3. WITHDRAWAL OF MONIES FROM INVESTMENT ACCOUNTS -- Monies withdrawn from investment accounts shall require two signatures and a resolution by the BOD.

SECTION 4. BUILDING ACCESS -- The board of directors may grant building access to any active member in good standing by resolution.

SECTION 5. BUDGETS – All department heads shall prepare budget requests for the next fiscal year and submit them in writing to the BOD at the regularly scheduled October meeting. The BOD shall review and approve budgets no later than the December BOD meeting.

SECTION 6. ACCESS TO CLUB COMPUTER -- The following members shall have access to the Club computer:

- A. All members of the BOD.
- B. Active members designated by resolution of the BOD.

SECTION 7. AUDIT REQUIRED OF CLUBS BOOKS -- The Club's books shall be audited by the Audit Committee before the annual meeting. The results of the audit shall be presented at the annual membership meeting.

SECTION 8. PAYMENTS BY CHECK

- A. All club payments shall be made by check, or by Club credit card or via secure electronic systems.
- B. Use of a Club credit card shall be restricted to members duly authorized by the BOD.
- C. Payments via secure electronic systems shall be restricted to those required by government or regulatory authorities.

SECTION 9. CHECK PAYEE REQUIREMENTS -- No checks in excess of \$100, except those needed to get change for the annual show, shall be made out to "Cash" and no checks shall be made out to the person signing the check.

SECTION 10. PURCHASE/REIMBURSEMENT REQUEST FORM -- No reimbursements shall be made without the submittal of a Purchase / Reimbursement Request form, signed by the Department Head with budget authority for the expenditure. Original receipts for the expenditure shall be furnished to the Treasurer as soon as possible after the service or goods are received. The form shall be as approved by resolution of the BOD. Membership dues shall not be credited in place of payment. All reimbursements shall be submitted within 60 days of the expenditure or the expenditure will not be reimbursed.

SECTION 11. BUDGET AUTHORITY -- No expenditure shall be made without budget authority. Budget authority of a specified amount shall be granted to a Department Head by resolution of the Board of Directors. The Treasurer shall have no budget authority and must submit expenditure requests through another BOD member.

SECTION 12. ASSISTANT TREASURER -- The Assistant Treasurer shall be appointed by the BOD and shall serve until replaced. The duties shall be as delegated by the Board and shall include maintaining membership records and depositing monies into the Club's account.

SECTION 13. TRANSITION OF OFFICERS – For 30 days after vacating an office, each outgoing BOD must make themselves actively available to the assuming officer for purposes of transition.

SECTION 15. MONTHLY INCOME AND BALANCE SHEET -- The Treasurer shall submit a complete and accurate income statement and balance sheet as of the end of the month preceding each monthly BOD meeting to the BOD in the form approved by resolution of the BOD.

SECTION 16. MEMBERSHIP ACCOUNTS -- The Treasurer shall provide the balance in any member's dues account upon request of the member and shall once a year provide each member a statement of account.

SECTION 17. VENDING MACHINES -- All vending machines are the responsibility of the

Building Department.

SECTION 18. DEPOSIT OF SHOW RECEIPTS -- Show receipts shall be deposited into the Club's checking account no later than the first working day after each weekend of the show. Show receipts shall be documented on forms approved by the BOD.

SECTION 19. STORAGE LOCKERS -- Lockable storage areas for members use are the responsibility of the Building Department. No flammable or unsafe materials shall be stored in the lockers. Each member who is assigned a locker shall be charged \$10 due the first of the year for use of the locker during that year.

SECTION 20. INVENTORIES -- Department heads are to submit to the Treasurer on a monthly basis a count of material held for sale to members, such as soda, decals, wheel sets, etc. The Development Department shall cause the submission of an inventory of sales table goods within 24 hours of the end of each annual show.

SECTION 21. DISSOLUTION OF ORGANIZATION – Upon dissolution of TMRC all appropriate state agencies shall be notified. Liabilities will be satisfied according to current laws. The remaining assets will be turned over to the County of Union, State of NJ, Dept. of Parks and Recreation.

SECTION 22. CHECKING ACCOUNT BALANCE (S) -- The Treasurer shall endeavor to maintain a balance in The Club's checking account sufficient to cover the projected expenses for at least the next 30 days but no more than the next 60 days. Remaining funds should be placed in The Club's reserve account(s) in order to maximize return on investment.

SECTION 23. LIFE MEMBERSHIP RESERVE ACCOUNT -- The Board of Directors shall maintain one reserve account that shall be used to hold the Life Membership dues paid by the *living* Life Members. The Treasurer shall endeavor to maintain a balance equal to or greater than the total amount of Life Dues paid by the *living* Life Members or the amount required to pay the minimum Club operating expenses for one year, whichever is greater. The minimum balance shall be adjusted whenever The Club gains or loses a Life Member or as the minimum annual operating expenses change. This account shall be set up in an S&P 500 Index Fund in order to maximize the return on investment over the long term. The treasurer, under direction of the Board of Directors, shall not make transfers from this account that would bring its balance below the minimum requirement unless the Board declares a fiscal emergency and there are no other funds available. However, money may be transferred to The Club's checking account or other reserve account(s) as the Board sees fit provided that the balance remains above the minimum requirement. The Board and the Treasurer are not required to make additional deposits if the balance drops below the minimum due only to market fluctuations.

SECTION 24. SPACE ALLOCATION -- The Board of Directors controls the allocation of all space on the County property and within the building.