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Skyline Beach Club, Inc
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6041 Sands Way
Anacortes, WA 98221

Bylaws

(As Amended, Revised and Reinstated)

SKYLINE BEACH CLUB

6041 Sands Way

Anacortes, WA 98221

PLAT OF SKYLINE

CITY OF ANACORTES

SKYLINE BEACH CLUB

NOTE: THIS DOCUMENT REFLECTS NEWLY AMENDED, REVISED AND REINSTATED BYLAWS OF THE SKYLINE BEACH CLUB, INCORPORATED WHICH HAVE BEEN DULY APPROVED BY THE MEMBERSHIP. THIS DOCUMENT SHALL REPLACE THE PREVIOUSLY RECORDED BYLAWS RECORDED WITH THE SKAGIT COUNTY AUDITOR UNDER THE FOLLOWING AUDITOR FILE NUMBERS:

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THESE BYLAWS BECOME EFFECTIVE ON JANUARY 1, 2028, NOT THE DATE OF ITS RECORDING.

Bylaws Outline*Article I – Purposes**Article II – Membership**Article III – Board of Trustees**Article IV – Duties and Powers of Trustees**Article V – Officers**Article VI – Committees**Article VII – Meetings**Article VIII – Voting and Elections**Article IX – Financial Management**Article X - Administration***Article I - Purposes****Section 1. Definitions.**

- A. **Association.** Skyline Beach Club (SBC) is an association of property owners conducted as a not-for-profit Corporation for the purposes set forth in the Articles of Incorporation and herein. It does business as (dba) the Skyline Property Owners Association (SPOA). It is governed by its Articles of Incorporation, these Bylaws, the Association policies, and applicable Washington State requirements under the Revised Code of Washington (RCW). The SBC/SPOA is herein referred to as the Association. RCW 64.90 references refer to the certified version of RCW 64.90 dated October 6, 2025.
- B. **Members.** The members of the Association shall consist of and be limited to the owners of residential parcels, tracts or other qualifying properties, including boat slips and condominium units (hereafter all called "units") in the geographical area defined as Skyline described in the Articles of Incorporation. However, not all units in the Skyline vicinity are under the Association.
- C. **Board of Trustees.** The Corporate powers of this Association shall be vested in and exercised by or under the authority of a Board of Trustees (herein called the Board). Except as provided otherwise in the governing documents and in RCW 64.90.410(4), the Board may act on behalf of the Association.
- D. **Officers.** The Officers of this Association shall be a President, Vice President, Secretary and Treasurer. They are elected by the Board from among the Trustees.
- E. **Assessments.** All sums chargeable by the Association against a unit including annual and special assessments, fines, fees, interest and late charges on any delinquent account, including all costs of collection and reasonable attorneys' fees per RCW 64.90.10 and RCW 64.90.480.

Section 2. Association Relationship to Divisions and Condominiums. The Association has many Divisions, and condominium associations within those Divisions. A Division is a contiguous cluster of member properties previously established by plat. Divisions and condominiums that are under the umbrella of the Association are governed by these Association Bylaws and policies, as administered and enforced by the Association Board of Trustees.

Section 3. Association Powers and Obligations. Certain specific purposes, powers, objectives, responsibilities and restrictions of Association are provided in RCW 64.90.405 and include:

- A. To promote and protect community and private property values for the benefit of all members.
- B. To promote enhanced quality of life through opportunities for social interaction among members.
- C. To own, purchase, lease, rent, or otherwise acquire real estate, buildings, equipment and furniture. To grant easements. To maintain, modify, replace, improve, operate, sell, convey, assign, mortgage, lease, regulate the use of, or rent any of the assets of the Association.
- D. To pay taxes and assessments levied by public authorities against property owned by the Association.

- E. To enforce, through fines and other legal means, the governing documents which include the policies, conditions, covenants, and restrictions (CC&Rs) upon, or for the benefit of, individually owned units of real property over which the Association has authority.
- F. To adopt or amend organizational documents, including promulgating policies and procedures for the use and enjoyment of said property in accordance with these Bylaws.
- G. To levy and collect such charges, fees, and/or assessments as may be necessary in the judgment of the Board of Trustees to charge fees for services, and to carry out any and all of the purposes for which the Association is formed; and to expend such monies so collected in accordance with these Bylaws of the Association.
- H. To develop and adopt budgets, prepare financial statements, and manage Association funds including reserve funds.

All the foregoing purposes and powers are for the purpose of serving and benefitting all unit owners within the real property commonly referred to as Skyline in the City of Anacortes, as specifically defined in Article VI (Geographic Boundaries) of the Articles of Incorporation. Future references to Skyline in this document pertain to those geographic boundaries.

Nothing in these Bylaws shall be construed as authorizing or permitting the Association to manage or operate any real or personal property for the profit of any individual but only for the collective good of the members.

Section 4. Revisions. The purposes of this Association may be altered, modified, enlarged, diminished or otherwise revised by approval of the membership, as provided in Article VIII of this document.

Section 5. Termination. Any move to terminate the Association requires a vote of the members on a termination agreement that follows the requirements of RCW 64.90.290.

Article II - Membership

Section 1. Privileges. The privileges and amenities of the Association members shall be extended to the spouse, registered domestic partner and children who reside with the member and may be extended to guests and property renters under such policies and procedures as the Board of Trustees may prescribe.

Section 2. Obligations and Restrictions. Each member shall remain personally obligated to pay all assessments associated with their membership. Membership responsibilities are not forfeited or waived for non-payment of assessments. Each member shall ensure that their family members, guests, and tenants comply with the provisions of the CC&R's, these Bylaws and the policies of the Association. A member is in "good standing" if the member (includes member's tenant, if applicable) (1) is current on all assessments levied by the association, (2) does not have any active or unresolved violations of the governing documents, such as architectural or maintenance infractions, (3) is not currently serving a suspension or other sanction resulting from a due process hearing, and (4) if they currently are not in litigation against the Association. Members have the right to vote whether or not they are in good standing.

Section 3. Conveyance. Membership shall be inseparably appurtenant (permanently attached) to the unit owned by the member, and upon transfer of ownership the membership appurtenant thereto shall be deemed to be transferred to the new owner(s) or legal grantee(s). No membership may be conveyed or transferred in any other way between living persons. In the event of the death of a member, his/her membership passes in the same manner and to the same persons as does the property itself.

Section 4. Membership Voting. Unit owners shall have one (1) membership per unit owned and shall be entitled to one (1) vote for each unit owned. If any units are held by two (2) or more persons, the owners of such interest shall be entitled collectively to cast one (1) vote. The vote for any membership owned by a single familial entity may be cast by either spouse or registered domestic partner without presentation of authority from the other family member. If more than one (1) owner casts a vote for the unit, no vote from any owner of the unit may be counted.

Section 5. Retention. No membership shall be forfeited, or any member expelled, and no member may withdraw except upon the transfer of title to, or contracting for the sale of, the unit to which the membership is appurtenant.

Section 6. Non-Sale Transitions. If membership authority is altered by death or legal status, survivors of the transition are responsible for notifying the Association of such change and for providing legal confirmation of the transition.

Section 7. Entitlement to Common Property. No compensation shall be paid by the Association upon the transfer of membership and no member whose membership is transferred shall be entitled to share or participate in any of the property or assets of the Association.

Article III - Board of Trustees

Section 1. Board Definition. There are nine Board positions. A minimum of three Trustees is necessary for the Board to conduct business with the exception noted in Section 5.

Section 2. Trustee Qualifications. To be qualified to stand for election or to receive an appointment: (a) each Trustee must be a member in good standing; (b) only one person from any one membership may serve on the Board at any one time. Co-owners, or employees of a legal entity, that jointly holds multiple memberships in the Association (by virtue of owning more than one unit of qualified property,) may not simultaneously serve as a Trustee; (c) Trustees shall be City of Anacortes residents and shall have owned a unit within the Association for at least one year; and (d) Trustees shall neither conduct business with the Association, contract for services to the Association, or be employees of the Association.

Section 3. Term of Office. Regularly elected Trustees shall have a term of office of three years. The number of consecutive elected terms of service shall be limited to two. Upon completion of a second term, said Trustee shall be ineligible to be nominated or appointed to serve on the Board of Trustees until twelve months shall have elapsed from the time his/her most recent elected term expired except an appointment conducted pursuant to Section 5. An appointed Trustee's term shall expire at the end of the next Annual Meeting regardless of the number of elected Trustees on the Board at that time. However, an appointed Trustee may be reappointed again in accordance with Article VIII. If an elected or appointed Trustee resigns or is recalled by vote of the members during any part of any elected term, said Trustee may not again serve on the Board until twelve months have elapsed from the date of resignation or recall. An elected or appointed Trustee's term of office ends immediately upon no longer meeting any of the qualifications in Section 2 above.

Section 4. Absences. Any Trustee who misses three consecutive regularly scheduled Board meetings, shall be deemed to have resigned effective as of the third (3rd) consecutive missed meeting unless that Trustee has a pre-approved excuse granted by the President or acting President for each meeting.

Section 5. Appointments if Board Drops Below Three Trustees. If the number of Trustees drops below three (3), the remaining trustee(s) may conduct no business other than to appoint the number of Trustees necessary to achieve the three Trustee minimum. In the rare case there are no Trustees (e.g., they all resign), the Teller Committee will call for and manage a special election per Article VIII, Section 2C.

Section 6. Removal of Trustee. Any Trustee may be removed from the Board by the membership per Article VIII. The Board may remove a Trustee only for delinquent assessments per RCW 64.90.520 (4).

Section 7. Official Board Decisions. Individual Trustees cannot make decisions for the Board. Unless granted authority by the Board, verbal assurances from individual Trustees are not representations of the Board. Actions of the Board must be reflected in the approved Board meeting minutes, or in other written communication from the Board.

Section 8. Ethical Behavior. Trustees shall receive no compensation or in-kind contributions for their services to the Association while serving on the Board, but shall be compensated or reimbursed per Article IX, Section 11.

Each and every Trustee shall perform all of their duties (including duties as a member of any committee of the Board upon which the Trustee may serve,) in good faith, in a manner that is in the best interests of the Association, and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances. No Trustee or officer shall engage in any self-dealing, or in any conflict of interest with their duties in the capacity of a Trustee or officer. Trustees shall recuse themselves from discussion of the action at issue and abstain from discussing or voting on any motion in which they have a direct or substantial interest not common to other members of the Association.

Section 9. Indemnification. Each Trustee now or hereafter serving the Association and each person who, at the request of or on behalf of the Association, is now serving or hereafter serves as a Trustee, officer, or agent of the Association, and her/his respective heirs, executors, and personal representatives shall be indemnified by the Association against expenses actually and necessarily incurred by him/her in connection with the defense of any action, suit or proceeding in which he/she is made a party by reason of being or having been such Trustee, officer or agent, except in relation to matters as to which he/she may be adjudged by authorized legal authority in such action, suit, or proceeding to be liable for gross negligence or misconduct in the performance of duties; but such indemnification shall not be deemed exclusive of any other rights to which such person may be entitled under these Bylaws, agreements, vote of the Board of Trustees, or otherwise.

Article IV - Duties and Powers of Trustees

Section 1. General Board Duties: The Board of Trustees shall

- A. Provide leadership in long term planning, setting goals and action plans,
- B. Abide by and enforce the governing documents: these Bylaws, Division CC&R's, and Policies and Procedures,
- C. Establish an annual budget and assessments, including fees; provide monthly monitoring of the financial status of the operational, reserve, and catastrophic funds to ensure solvency, transparency and accuracy,
- D. Establish policies and procedures as needed; ensure compliance with such policies and procedures,
- E. Comply with laws governing common interest communities,
- F. Provide for safety and security measures to protect Association property and people who use Association property,
- G. If deemed appropriate by the Board, cause the Association to institute, defend, or intervene in legal proceedings in its own name on behalf of two (2) or more unit owners or matters affecting the Association,
- H. Keep the members informed and respond to member concerns.

Section 2. Board Governing Powers. Subject to any limitation in the Articles of Incorporation, these Bylaws, and the laws of the State of Washington, all business and affairs of the Association shall be controlled and conducted by the Board of Trustees. Without prejudice to such general powers, and subject to the same limitations, it is hereby expressly agreed that the Board of Trustees (Board) shall have the authority and responsibility to carry out the duties and obligations of the Association described in Article I, the Association governing documents, and RCW 64.90.405. Trustees shall not transfer/assign their powers or responsibilities authorized by these Bylaws but may delegate specific duties to other Trustees, officers, committees, members or employees. Ultimate accountability for the results of any such delegation remains with the Board.

Specific powers include, but are not limited to, the following:

- A. **Association Assets.** The Board has responsibility and authority over all Association assets, including common areas, and shall ensure good stewardship of all Association assets. This includes regulating the use, and providing for the maintenance, repair, replacement, and modification of common elements. The Board shall acquire, lease, sell, or dispose of real property only upon the approval of a proposition submitted to the membership for a vote as set forth in Article VIII of these Bylaws. However, property acquired by the Association through lien enforcement, foreclosure, deed in lieu of foreclosure, or other collection remedies may be managed, leased, or sold by the Board without a membership vote for the purpose of recovering amounts owed to the Association. Property acquired through foreclosure shall not be deemed a common element unless formally accepted by member vote. The Board may secure, maintain, insure, market, and dispose of such property in a commercially reasonable manner. In exercising foreclosure or resale authority, the Board shall act in good faith and shall not be liable for decisions regarding timing, pricing, or method of sale absent gross negligence or willful misconduct. Further the Board has the power to reject, accept, and if accepted, sell within 4 years, donated personal and real property without a membership vote as otherwise required under Article VIII, Section 4 E.
- B. **Employment.** The Board has sole authority to appoint, hire, remove or terminate employment of all the subordinates (officers, agents and employees of the Association); to prescribe such powers and duties for the subordinates as may be consistent with the laws of the State of Washington, the Articles of Incorporation, and these Bylaws and Association policies; to establish subordinates' authorities and compensation (if any), and require from them security for faithful performance. The Board may contract with one or more management agents at compensation established by the Board to perform such duties and services as the Board may authorize. The term of any such management agency shall be established by mutual agreement of the parties.
- C. **Committees.** The Board shall have the power to establish ad hoc and standing committees per Article VI and charge them with the authority to address specific short or long-term goals for the benefit of the members.
- D. **Access to Property:** Any member of the Architectural Control Committee(ACC), or any management staff of the Association, as well as any Trustee , shall have the right, during reasonable hours and upon reasonable notice, to enter upon any lot to inspect said lot and any improvements thereon for the purpose of (1) ascertaining whether or not the CC&Rs, these Bylaws, and the policies of the Association have been or are being complied with and/or (2) responding to a request submitted to the ACC pursuant to the CC&R's, these Bylaws, and the policies of the Association. Such person or persons shall not be deemed as trespassing by reason of such entry.
- E. **Procedures and Fines.** The Board is authorized to impose remedial corrective actions, monetary fines and other penalties against members for violations of the CC&R's, these Bylaws, and Policies of the Association per Article IX. However, the Board may exercise discretion in enforcement actions per RCW 64.90.405 (7-9).

- F. Policies and Procedures. The Board shall have the power to promulgate such policies and procedures as it deems appropriate subject to the requirement to provide notice to owners and an opportunity for comment as required by RCW 64.90.505. The Board shall conduct an annual review of the Association's policies and procedures, which shall be noted in the minutes of a regular Board meeting.
- G. Emergency Powers. In the event of an emergency as defined in RCW 64.90.502, the Board is granted certain emergency authorities per RCW 64.90.502 to approve the spending of Association funds to address the emergency situation.

Article V – Officers

The Officers of this Association shall be the President, Vice President, Secretary and Treasurer. Officers hold office for one year, subject to provisions herein relating to vacancy and removal. The officers shall have the duties and powers described in these Bylaw and Association policies but shall always be subject to the authority and direction of the full Board.

Section 1. Election of Officers. Immediately following the Annual Meeting, the Board of Trustees shall meet to elect from among themselves a President, a Vice-President, a Secretary, and a Treasurer, each for a term of one year. Any two or more offices may be held by the same person, except the offices of President and Secretary.

At any time, the Board may also appoint (Per Article VIII) other non-voting officer positions as deemed necessary including, but not limited to, an Assistant Secretary and an Assistant Treasurer. Individuals filling these positions will ideally, but not necessarily, be members in the Association. The terms of these appointed officers may be extended indefinitely but are subject to Board reaffirmation following each Annual Meeting. Such appointees may receive compensation per Board approval. In the event of an absence or disability of any Officer, the Board of Trustees may delegate during such absence or disability the powers or duties of such Officer to any other Officer or any Trustee.

Section 2. Removal. Any officer may be removed with or without cause by a majority vote of the Trustees per Article VIII, Section 3. Any officer vacancy may be filled by the Board of Trustees for the unexpired term of such office per Article VIII. Removal as an Officer does not remove the person from the Board.

Section 3. The President. In accordance with these Bylaws, policies and state laws, the President shall oversee enforcement of the governing documents, monitor the day-to-day operation of the Association, ensure the orientation and training of new staff, Trustees, and officers, and provide a President's report at every Board meeting.

The President shall act as chairperson at all meetings of the membership (except as noted in Article VII, Section 3) and preside at all meetings of the Board of Trustees, and shall sign, as President, all contracts or other instruments for the Association. The President shall have such other powers and duties as the Board may prescribe.

Section 4. The Vice-President. The Vice-President shall preside at all meetings in case of the absence or disability of the President and assume all duties of the President during such periods of absence or disability and shall perform such other duties as the Trustees may require.

In accordance with these Association Bylaws and policies, the Vice-President shall monitor Association property maintenance and repair issues and projects; and have access to, and monitor Association office software and security systems to ensure a last resort backup capability; and make a Vice-President's report at every Board meeting.

Section 5. The Secretary. The Secretary shall ensure all meeting notices go out on time, and shall attend and keep the minutes of all official meetings of the Board of Trustees. The Secretary shall also confirm in the minutes of each meeting whether a quorum has been established upon commencement of all such meetings, and shall perform all such other duties incidental to the position or as may be required by the Board of Trustees

The Secretary shall ensure that records are properly kept per RCW 64.90.495 and these Bylaws, and that the Association's records policy is current and the Association is in compliance with the policy.

The Secretary shall attest with a personal signature all governing documents, or amendments thereto, executed by the Association.

Section 6. The Treasurer. The Treasurer, on behalf of the Board, together with the Association staff, shall be responsible for all funds and securities of the Association, and shall ensure proper accurate accounting and banking, and ensure that policies and procedures and other safeguards are in place to protect Association financial assets. The Treasurer shall perform other duties incident to the office of the Treasurer and such other duties as from time to time may be assigned by the Board of Trustees.

The Treasurer shall initiate the annual budgeting process at the start of the calendar year and with the assistance of the Association staff, develop the annual budget for Board adoption by vote no later than mid-May.

The Treasurer shall ensure that the annual audit and annual reserve study are completed and ensure that any audit and reserve study deficiencies are adequately addressed.

The Treasurer shall make reports of the finances and transactions of the Association as may be required by the Board of Trustees and shall prepare and present to the Annual Meeting of the members a full statement showing in detail the financial condition of the Association.

Article VI - Committees

Section 1. Committee Powers and Duties. All official committees of the Association must be appointed by the Board. The powers, duties and deliverables of a committee shall be established by the Board and shall be described in a written committee charter or in a resolution recorded in the Board meeting minutes. The Board may, at any time, dissolve any committee and assume all powers and duties of the committee. Furthermore, the Board shall appoint one or more Trustees to monitor each committee. Note that ad hoc groups of volunteers are not an official committee or part of a committee unless approved by the Board by charter or resolution.

Section 2. Committee Chairs and Members. The Board shall appoint the Committee chairs, who must be members of the Association in good standing. Chairs of committees shall be appointed or reappointed annually at the Board meeting that occurs immediately following the annual meeting. They serve at the pleasure of the Board.

The chair of an advisory committee may recommend committee members for approval by the Board. Committee members ideally, but not necessarily, should be Association members. Committee chairs must provide a current roster of all committee members to the Board for reference and indemnity purposes. They must also provide a written summary of committee meetings to the Board and provide a verbal and written report to the members at the annual meeting.

Committee participants authorized by the Board in writing shall receive the same indemnification considerations and protections afforded to the Trustees and Officers of the Association.

Section 3. Decision Authority. The Board shall determine if a committee is given the power to make decisions for the Board. Committees authorized to exercise any power reserved to the Board must include at least two Trustees who have exclusive voting power for that committee. Committees that are not so composed may not exercise the authority of the Board and are advisory only.

Section 4. Standing and Other Committees. Standing committees shall include: the Architectural Control Committee (ACC), Personnel Committee, and the Appeals Committee. The ACC shall have the power to impose remedial corrective actions and the power to impose fines established by the Board per Article IX, Section 8. Other committees may include the Teller Committee, Parks Committee, Policies Committee, Social Committee, and Maintenance Committee. The Board may appoint additional committees for a specific task and set time period as it, in its discretion, deems necessary to assist in the operation of the affairs of the Association.

Section 5. Committee Meetings. Committees authorized to exercise any power reserved to the Board must follow the same rules and requirements as the Board for a Board meeting. Other committees are not so required but shall provide reasonable notice, including an agenda, to all Association members of a meeting and meetings shall be open to all members. Subject to approval of the Board, each committee may adopt its own rules or procedures. A summary of each meeting, and/or actions taken, shall be prepared and available to the Secretary of the Board.

Article VII - Meetings

Section 1. Meeting Requirements. Meetings shall follow the requirements of RCW 64.90.445, these Bylaws, and such policies and procedures as the Board of Trustees may prescribe.

- A. **Open Meetings:** All meetings, including committee meetings, must be open to all Association members except during executive sessions. The Board sets the order of business. At least 15 minutes at the beginning of each Board meeting shall be provided for unit owners to comment about agenda items before the Board votes. Executive sessions shall follow RCW 64.90.445 (2) and Association policy.
- B. **Notice of Meetings:** Unless the meeting is included in a schedule provided to the Association members, the Association must provide 14-day notice of each Board and member meeting to all Association members. The notice must state the time, date, place, remote participation access (if any) and agenda topics of the meeting. Meeting notices may be sent by electronic transmission to members who have consented to receive electronically transmitted information.
- C. **Minutes:** Minutes of all member meetings and Board meetings, excluding executive sessions, must be maintained as a record at the Association office. The decision on each matter voted upon at a Board meeting or member meeting must be recorded in the minutes. Minutes of the meeting must be approved at the next meeting in accordance with the Association's governing documents.
- D. **Meeting Conduct:** All meetings will be conducted in an orderly, business-like, civil manner. If there are disputes in how meetings are to be conducted, the most recent version of Robert's Rules of Order shall control. The Board can maintain order by removing those at the meeting who are disruptive. The Board may vote to expel and/or prohibit future attendance by any person who, after warning by the chair of the meeting, disrupts a Board meeting per RCW 64.90.445.
- E. **Remote and Hybrid Meetings:** The Board may choose to hold any meeting in person or remotely, or both (hybrid). Remote access by telephone, video, or other conference process may be used for meetings upon approval by the Board and established policies and procedures.

Section 2. Board Meetings

- A. Annual Meeting: The Association must hold an annual meeting, which is a Board/Member meeting with special emphasis on providing an annual report to the members and the results of voting. Notice of the meeting must be sent via first-class U.S. mail to each member and also via electronic communication when the member has consented, not less than thirty-five (35), nor more than fifty (50) days prior to the meeting. The annual meeting shall be held at the Association Clubhouse or at such other location the Trustees may designate, on a Saturday of a non-holiday weekend in July of each year, at 11:00 a.m.
- B. Board Planning Meetings: Board planning meetings may be held as needed. These meetings typically involve open discussions among the Trustees about Association issues, governance, policies, etc., but are not meetings where formal decisions are made.
- C. Regular Board Meetings: These meetings are for conducting the business of the Association, and to provide an open forum for members. The Board may act by unanimous consent only to undertake ministerial actions, actions subject to ratification by the unit owners, or to implement actions previously taken at a meeting of the Board. Regular Board meetings shall generally be held monthly, with a minimum of 10 per year. Fewer than all Trustees may participate in a Board meeting by any means of communication in which all the Trustees at the meeting can hear each other. A Trustee participating in a meeting remotely by these means is deemed to be present at the meeting.
- D. Board Meeting Notices: The annual schedule for regular meetings shall be communicated to the members at least 14 days in advance of the first meeting. Notices for all other meetings shall follow RCW 64.90.445. An agenda shall be available to the members in advance of all Board meetings, except when responding to exigent circumstances.
- E. Emergency Board Meetings: When there is a declared emergency as defined in RCW 64.90.502, a shorter notice is conditionally allowable. In such circumstances, Board action may be taken by less than a quorum of Trustees. Such action shall be limited to addressing only the time-urgent issues of the exigent circumstance. Subsequently, (at the next regular or special Board meeting,) the Board's activities related to the exigent situation will be explained and submitted for post-approval and documentation.
- F. Gatherings: A gathering of the Trustees or members of a committee at which the Trustees or committee members do not conduct Association business is not a meeting of the Board or committee. Trustees and committee members may not use incidental or social gatherings to evade the open meeting requirements of these Bylaws.

Section 3. Member Special Meetings

Special meetings of the members of the Association may be called at any time by the President (or acting) of the Board of Trustees, or by petition of one-hundred (100) members requesting the Board to call a special meeting stating the purpose of the meeting. These are meetings that may be held to address any matter affecting the Skyline community and/or the Association. Notice of the meeting shall be sent by the Association to all members no less than 14 days and no more than 50 days prior to the meeting date. The notice shall include date, location, time and remote access information, if applicable. The meetings shall be chaired by the Board President or acting.

If the Association fails to provide notice to members of a Special Meeting within 30 days after the members' properly prepared and submitted petition, those members may directly provide notice of the meeting at their expense to all the members. The Association shall provide the list of names/addresses and a meeting space for an in-person meeting. The members among themselves will decide the chair of the meeting. Notices and voting must follow these Bylaws and Association meeting and voting policies to be binding.

Article VIII - Voting and Elections

Section 1. General Voting Requirements

- A. **Annual Voting Process.** At least thirty-five (35) days prior to the Annual Meeting, election materials will be mailed to each member, which shall include a ballot (or instructions on how to vote electronically if permitted) to vote for new Trustees, the budget, special assessments, propositions by the Board, and any member initiatives. The notice shall include information required by RCW 64.90.518 and 525(2).

Quorums, and number of required approval votes by the members, shall be specific to each ballot measure as defined in these Bylaws, by law, and by Association policy, and shall be noted on the ballots. All eligible candidates for a Trustee election shall have an equal opportunity to communicate their qualifications to members and to solicit votes.

Members shall have the opportunity to vote for all candidates for election and to vote for a write-in candidate. No specific format is required for the ballot information packet other than it shall contain the complete text being voted on (or a reference to where the text is located on the Association website) and the return "due by" date. "Pro" and "con" statements received are required to be included with the notice for all propositions and initiatives, and for any changes to these Bylaws. Pro/Con statements written by the Board shall not exceed one (1), single-spaced, type-written page per ballot measure. Members who wish to submit Pro and Con statements to be included with the notice must coordinate/consolidate their respective statements into one, which cannot exceed one (1) single-spaced type-written page per ballot measure.

Completed paper ballots may be mailed or hand carried to the Association office. The Board shall have in place an approved policy that describes the ballot handling process and the roles and responsibilities of the Teller Committee. After the tally and report to the membership at the Annual Meeting, the ballots and tally sheets shall be archived.

Unless otherwise specified in these Bylaws, special elections for Trustees, budget items, propositions, and initiatives shall follow the same process, timing, and integrity control procedures as for the annual election preceding the Annual Meeting, as defined above.

- B. **Voting by the Board of Trustees.** Unless otherwise stated in these Bylaws, a quorum is a majority of Trustees, and a measure is approved by a majority of trustee votes. All Board votes are conducted at open Board meetings. Trustee voting by email or in executive session is not permitted. A Board Trustee may not participate in a Board vote by proxy or absentee ballot. Trustees may vote while remotely participating in a Board meeting per RCW 64.90.455. The decision on each matter voted upon at a Board meeting or a member meeting must be recorded in the minutes. The Board of Trustees may at any time submit a proposition to all the membership for voting.
- C. **Voting by Members.** Unless otherwise specified in these Bylaws, a quorum is a valid vote received from at least 20% of all members regardless of how the voting is conducted: paper ballot, electronic, in person at a meeting, etc. Unless otherwise specified in these Bylaws, approval is by a majority of member votes received. Members may not vote by proxy.

- D. Member Ballot Initiatives. Unless otherwise specified in these Bylaws, the Board must submit a member initiative to all the members for voting at the next annual election upon the petition of 15 percent of the members with or without approval by Board. Unless otherwise stated in these Bylaws, a quorum is a valid vote received from at least 20% of all members and approval is by a majority of those votes received. This applies to all forms of voting: by mail, in-person, or electronic. The Teller committee shall confirm whether a quorum has been established and present to the Board and members the results. The Association shall have in place a policy for submitting an initiative to be voted on.
- E. Electronic Voting by Membership. In lieu of, or in addition to, paper ballots, the Board may authorize electronic ballot voting provided that sufficient written policies and procedures have been established, and adequate infrastructure is in place that is safe and secure and can verify and record votes per RCW 64.90.455. The Association may utilize electronic voting systems managed by a third-party vendor selected by the Board.
- F. Secret Ballots. Unless otherwise stated in these Bylaws or Association policy, secret ballots are required for (1) election of Trustees, (2) removal of Trustees or officers, and (3) amendments to the governing documents initiated by the members.
- G. Extension of Election Deadlines: For any election, the Board may extend the ballot return deadline up to 11 months if an insufficient number of ballots have not been returned to constitute a quorum or other required minimum return amount.

Section 2. Election, Appointment, and Removal of Trustees

- A. Trustee Nominations. In January of each year, the Board shall begin to seek Trustee candidates for the annual election. Per RCW 64.90.518, notice shall be provided to all members of the number of Trustee positions to be filled, the Trustee qualifications, and the nomination process. Candidates must submit their name in writing to the Association office by April 1st of each year. The Board shall review the nominee list to ensure each is qualified and in good standing. Nominees determined not to be qualified may appeal to the Board in writing within 7 days after the Board issues a notice that the nominee is not qualified. Late appeals will not be accepted. The Board will issue a final and binding decision on any timely filed appeals.
- B. Trustee Election. Generally, three (3) Trustees shall be elected each year. There is no quorum for Trustee elections; however, each candidate must receive at least one hundred (100) votes to be elected. If there is more than one candidate running per vacancy, the candidate receiving the greatest number of votes shall be elected to the vacant offices. In the event of a tie, the winner will be publicly decided by lot.
- C. Special Election for Trustees. A special Trustee election may be held to fill vacant Board of Trustee positions only when the number of currently elected Trustees drops below three. In a special election, nominations for Trustee positions will be solicited via email, newsletter, and social media. Upon a sufficient number of eligible candidates, ballots (and/or instructions for electronic voting) will be sent to all members by email and/or postal mail with return instructions and a deadline return date set by the Board. There is no quorum for Trustee special elections; however, each candidate must receive at least one hundred (100) votes to be elected. If there are candidates competing for the same position, the candidate with the most yes votes will fill the vacant position. The term of a Trustee elected in this manner shall end at the end of the next annual meeting.
- D. Appointment of Trustees by the Board. The Board may fill Board positions by appointing qualified members to be a Trustee. The term of a Trustee appointed in this manner shall end at the end of the next annual meeting

- E. Removal of Trustees by the Board. The Board may only remove a Trustee for nonpayment of delinquent assessments per RCW 64.90.520 (4).
- F. Removal (recall) of Trustees by Membership. The balloting process for the recall of a Trustee by the members shall be the same process as the balloting for the election of a Trustee and in accordance with RCW 64.90.520. The total process shall be scheduled by the Board such that the completed action, including publication of membership voting results, shall be accomplished within a total of ninety days from the date of petition submittal. The process is initiated by a valid petition from 15 percent of the members. Ballots must be received back from at least 20% of the members (quorum). The Trustee is removed if the lesser of (a) a majority of the members, or (b) two-thirds of the votes cast by such members, are in favor of removal.

Section 3. Election and Removal of Officers of the Board

- A. Approval of Officers of Board of Trustees by Board. Candidates for Board Officer positions can be nominated by any Trustee, or they may self-nominate at a Board meeting after the annual meeting. The slate of elected officers is then presented to the membership.
- B. Removal of Officers by the Board of Trustees. Any officer may be removed by a majority vote of the Trustees. It is not approved if there is a tie. Removed officers continue to serve as Board Trustees. However, when removed by the Board, the Trustee may not serve in that officer position for a minimum of one year.

Section 4. Specific Voting Measures

- A. Budgets and Special Assessments: Budgets and assessments are adopted by the Board by a majority vote. Budgets and assessments are then presented to the members for ratification. They shall be ratified by the members unless the members to which a majority of the votes in the Association are allocated reject the budget. If the budget is rejected, the budget last ratified by the members continues until the members ratify a subsequent budget proposed by the Board. There is no required quorum of members.
- B. Amendments to these Bylaws. The Board can propose an amendment to these Bylaws with majority approval of the Board. Alternatively, 20% of the members may petition for an amendment to these Bylaws. Upon a vote by written secret ballot sent to the entire membership, these Bylaws are amended if at least 25% (twenty-five percent) (quorum) of the members of the Association return a valid ballot and a majority approve.
- C. Real Property Actions. A proposition by the Board to purchase real property, or to lease, sell, or dispose of Association-owned real property shall first be approved by a majority vote of all the Board Trustees. Alternatively an initiative may come directly from the membership by a petition of 15 percent of the members. Either shall be submitted to the full membership for approval by vote except as noted in Article IV, Section 2A. Prior to the vote, by the membership, the Board shall distribute to the members at least 30 days prior to commencement of voting a detailed study describing (i) the pros and cons of the proposal, (ii) the estimated transaction amounts, and (iii) the proposed disposition of all funds to be used or received.

The voting period will not be less than thirty-five (35) days nor more than fifty (50) days unless extended by the Board. Notwithstanding anything herein to the contrary, the proposition or initiative shall require a quorum of at least 35 percent of the members. Provided that a quorum of votes is received, the proposition/initiative will be approved if seventy-five percent (75%) of those who vote approve. Following approval, the Board shall proceed with the real property transaction.

Article IX - Financial Management

Section 1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 2. Funds Obligating. All agreements, contracts, deeds, leases and other funds obligating instruments of the Association shall be executed by at least two (2) officers or by such other person(s), including employees or managing agents, as may be designated by the Board. Further, no loans shall be made by the Association to any person, business, or non-profit.

Section 3. Annual Budget: The annual budget given to the members shall, in accordance with RCW 64.90.525, include the projected revenue, and the projected expenses for the operating budget, the status of the reserve funds, and the results of the annual audit. As a part of the budget, the Board shall establish the annual assessments per unit. Special assessments in the budget shall be for the purpose of paying the costs of capital improvements and/or repairs not covered by reserve funds. Said special assessments shall provide the method and manner of payment and shall become effective immediately upon ratification by the members.

Section 4. Annual Assessments. For the purpose of financing the activities of the Association, all units within the jurisdiction of the Association shall be charged assessments at the rate set forth in the annual budget which is ratified by the members. If members purchase more than one (1) unit, they shall pay assessments on each unit owned. Property designated as parks and facilities owned in-common by the members of the Association shall be exempt from assessments. The annual assessments shall be due and payable by the owner of record on the 1st day of January of each and every year, or as otherwise determined by the Board.

Section 5. Banking. The Association shall maintain all funds, securities and liquid assets of the Association in accounts in financial institutions in compliance with RCW 64.90.530 (3,4) and RCW 64.90.535, as may be designated by the Board of Trustees. Disbursement of funds is under the direction of the Board and shall be monitored and approved by two officers of the Board. Pursuant to RCW 64.90 the funds of the Association shall not be commingled with other funds. Operating funds shall not be co-mingled with reserve funds.

Section 6. Personal Liability. A member is personally obligated to pay all assessments as defined in Article I, Section 1. A member is also personally liable for the payment of interest accruing on any delinquent assessments.

Section 7. Delinquent Accounts. If full payment of assessments is not received by the written established deadline, the account shall be deemed delinquent and the balance, and charges associated therewith, shall become immediately due and payable. Delinquent accounts shall be subject to late charges as established by the Board. In addition, the unpaid balances shall accrue interest due at a rate of 1 % per month until paid in full.

Section 8. Fines and Penalties. The Board shall maintain published schedules of fines which may be levied by the Board, or the ACC for the Board, for unresolved infractions related to the Articles of Incorporation, these Bylaws, Policies, and/or CC&Rs. The schedules shall be available for view and use by all members. A monetary fine or other penalty shall be imposed on the member (and tenant, if applicable, per RCW 64.90.405 (5)) unless and until the violation has ceased. A violator shall be offered the opportunity to appear before the Appeals Committee of the Board to explain why a fine or penalty should not be levied or to request an adjustment of the fine or penalty levied.

The Board may assign its power to impose monetary fines and other penalties to the Association staff and Architectural Control Committee provided those fines and penalties are published, applied equally, and are unambiguous. A late charge shall not constitute a fine.

Section 9. Recovery of Legal Fees. The Association shall be entitled to recover, from a member, all attorneys' fees and costs incurred because of a failure of the member to pay assessments, or special assessments, charges, fines and/or fees in a timely manner or the failure of the member to comply with remedial corrective actions or any provision of the Association's governing documents.

Section 10. Liens and Foreclosures. All Assessments as defined in Article 1, Section 1 shall become and shall be treated as a lien upon the property of the member. The Association may record a lien with the County Auditor in the event of delinquency, but no such recordation shall be required to enforce such lien; these recorded Bylaws are deemed evidence of such lien. In the event of default in the payment of the same, such lien may be foreclosed as provided under RCW 64.90.480 and Association policy for the foreclosure of a mechanics lien and/or collected from the member, his/her heirs, or other successors and assigns.

Section 11. Reimbursements. Trustees, officers, and committee members shall be reimbursed by the Association for such reasonable expenses as they may necessarily incur in pursuance of the business of the Association, subject to prior approval by a majority vote of the Trustees of such expenses, provided they can substantiate such expenses with documentation suitable to the Trustees.

Section 12. Reserve Fund for Capital Expenditures and Deferred Maintenance: The Association shall establish and maintain a separate reserve fund for the purpose of funding major maintenance, repair, and replacement of the common elements, and for capital expenditures and deferred maintenance, as determined by the Board. This fund is intended to provide adequate funding for the long-term preservation and integrity of the Association's assets and to mitigate the need for special assessments.

The Board shall obtain a reserve study, conducted by a reserve study professional, at least every year. The Board shall provide all Association members with a summary of the most recent reserve study and the reserve funding plan with the annual budget, including disclosures required by RCW 64.90.550 (or relevant state law). The Association's annual budget shall include a line item for contributions to the reserve fund. The amount of the annual contribution shall be based on the professional reserve fund study. The goal is to maintain a reserve balance that is at least 70% funded, with an ideal target of 100% full funding.

Section 13. Insurance Deductible (Catastrophic) Reserve Fund. The Association shall establish and maintain a separate, dedicated fund to cover the unpredictable costs associated with the deductibles of the Association's insurance policies. The purpose of this fund is to provide immediate financial means to cover insurance deductible costs without the necessity of a special assessment to the membership or borrowing from the general operating or reserve funds at the time of a claim. The target balance for this fund shall be no less than the highest deductible amount across all of the Association's insurance policies. The Board shall determine the annual contribution amount required to reach and maintain this target balance, which shall be part of the annual budget.

Section 14. Annual Audit. Annually, the Board of Trustees must prepare a financial statement for the previous fiscal year in accordance with generally accepted accrual accounting principles. Financial statements shall be audited annually by an independent certified public accountant (CPA). The audit shall provide an independent examination of financial records, financial status, ensure transparency, and confirm appropriate accounting and use of funds. The audit report must be made available to members. Any deficiencies found in the audit must be addressed by the Board.

Section 15. Insurance Coverage. The Board shall conduct an annual review of the Association's insurance coverage in relation to reasonable and equitable protection of common assets, as well as for the "deep-pocket" protection of members' interests, employee and officer activities, and for the indemnification of Trustees and subordinate appointees. The Association shall provide director's and officer's liability insurance. Should the existing insurance be deemed inadequate, the Board shall increase the coverage to a level deemed adequate.

Article X - Administration

Section 1. Records

- A. **Record Keeping.** The Association shall maintain and manage its records in compliance with RCW 64.90.495 and any other applicable federal, state, and local laws. The Board of Trustees shall adopt a records retention and access policy outlining the minimum length of time various types of records must be maintained before being securely disposed of. All records of the Association are the property of the Association and shall be secured and maintained in the Association offices. Among the records the Association shall keep are the organizational/governing documents, meeting minutes, financial records, membership register, assessment and tax documents, contracts and leases, insurance policies, Association policies, audits, personnel files, notices to members, and reports.
- B. **Records Access.** Subject to policies adopted by the Board regarding the time, location, and manner of inspection, and as permitted by RCW 64.90.495(2), Association records, with exceptions, shall be available for examination and copying by any member or their authorized agent by appointment. Members must have a purpose for inspection reasonably related to membership interests and said member shall maintain the confidentiality of all information obtained. Use or sale of members' lists by such members if obtained by inspection is prohibited and subject to legal recourse. The Association may withhold or redact records that are not subject to disclosure under applicable state law.

Every Trustee shall have the right at any reasonable time to inspect all books, records and documents of the Association and to make copies of documents at reasonable cost to the Association.

Section 2. Transactions and Communications

- A. **Member Responsibility.** Each member shall be responsible for providing the Association with their current mailing address and, if they have consented to electronic communications, their current email address or telephone number for text messages. The member shall promptly notify the Association in writing of any changes to this contact information. The Association shall not be responsible for a member's failure to receive notice if the member has not provided current contact information.
- B. **Member Notifications.** Notices to members may be by one or more means as provided in Association policy consistent with RCW 64.90.515. Notices are in effect when physically sent or electronically transmitted to members.
- C. **Association Communications.**
The Association shall establish and maintain an official Association website or online portal. The website shall be used to provide access to
- Governing documents (Articles of Incorporation, CC&Rs, these Bylaws, Policies),
 - Board meeting schedules, notices, agendas, and approved minutes,
 - Financial reports and budgets,
 - Architectural review forms and guidelines,
 - Rental information and scheduling, and
 - Newsletters, general announcements and community updates.

Section 3. Dispute Resolutions

The Association encourages the amicable resolution of disputes between the Association and its members, and between members themselves prior to a judicial court proceeding. The Board shall create and maintain a policy that describes the process by which the Board, Association committees, divisional representatives and/or individual members may strive to effect change or resolve grievances in the Association.

Section 4. Employee Management

The Board shall establish and maintain an employee handbook and set of personnel policies which shall include guidelines and procedures for hiring, firing, disciplinary actions, pay, evaluations, conduct, safety, and confidentiality. The Association and Board shall comply with all applicable federal, state, and local employment and labor laws. All personnel matters shall be discussed in executive session to protect employee privacy and mitigate liability. Individual Trustees are not permitted to discipline employees without the express authorization of the Board.

Section 5. Vendor and Contractor Management

The Board of Trustees is solely responsible for agreements with all third-party vendors and contractors for the maintenance, repair, replacement, or management of the Common Areas and for the provision of services to the Association. No individual member, employee, or officer, acting alone, has the authority to hire, bind the Association to a contract with, or direct the work of any vendor or contractor on behalf of the Association, unless such authority is explicitly delegated by a formal Board resolution.

The Association shall have in place a policy that includes the minimum number of quotes or competitive bids, and the qualifications of the vendor or contractor including licenses, liability insurance, and workers compensation.

All vendors, contractors, and their subcontractors and employees must adhere to the Association's governing documents. Payment shall be made only upon satisfactory completion of work milestones as defined in the contract, and upon presentation of a valid invoice and any required lien waivers.

Section 6. Rentals

The Association owns and maintains various buildings and amenities designed for the use and enjoyment of all members. These facilities may be rented to members who are in good standing in accordance with the policies of the Association. The Board may set rental fees, conditions, and restrictions and establish and collect penalties and fines for failure to comply with the rental contract provisions and/or Association rental policy.

ARTICLE XI
Corporate Seal

The seal of the Corporation shall be in the circular form and shall contain the words:

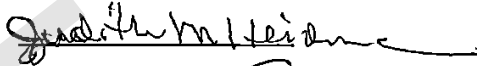
SKYLINE BEACH CLUB, INC.
Corporate Seal
Washington
1963

In the form and style as affixed to these Bylaws by the impression of said corporate seal.

ARTICLE XII

These Bylaws are duly adopted by the Corporation and the corporate seal affixed on the 30th day of July, 2026.

Judith Heidman, President



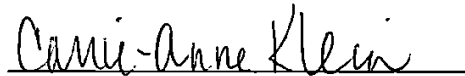
ATTEST: Marilyn Sage, Secretary



STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me **Judith Heidman** and **Marilyn Sage**, to me known to be the **PRESIDENT** and **SECRETARY** respectively of the **SKYLINE BEACH CLUB, INC.**, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument on behalf of the corporation.

GIVEN under my hand and official seal this 30th day of July 2026.



Print Name: Carrie-Anne Klein
NOTARY PUBLIC in and for the
State of Washington, Residing in Anacortes, WA
My Commission Expires: October 20, 2029

