

STATUTES ANNOTATED

Section 16.050. A Lodge, whether incorporated or not, or any corporation, club, social parlor or other facility under the control of the Lodge, must obtain a permit from the Board of Grand Trustees before it may:

- (a) Purchase real estate at a cost in excess of \$25,000.00;
- (b) Acquire property by lease for a period of more than one year;
- (c) Construct a new facility, whether a building or otherwise, if the cost is in excess of \$25,000.00;
- (d) Make additions to or alterations in its present facilities, if the cost is in excess of \$25,000.00;
- (e) Contract for services, purchase furnishings, fixtures and equipment, other than equipment required for normal maintenance, at a total cost in excess of \$25,000.00; provided, however, the requirement of this section shall not apply to employment contracts with employees of the club or home.
- (f) Sell, exchange, or make a gift of its real property, or any portion thereof, unless as a result of condemnation proceedings;
- (g) Lease its real property, or any portion thereof, for a term of more than five (5) years, whether it be an original term or under an arrangement for renewal or extension;
- (h) Incur or refinance a debt involving mortgage of real property or the sale of debentures, bonds or other certificates of indebtedness;
- (i) Borrow money for any purpose (*See exception in next to last paragraph of this section*).
- (j) Sell, exchange, or make a gift of its personal property valued in excess of \$25,000.00.

Application for the permit must be in writing on forms obtained from the office of the Grand Secretary. The instructions contained in the application must be followed in every respect and there must be full and complete disclosure of all information requested in the application. The application shall be filed in duplicate with the Building Applications Member of the Board of Grand Trustees with a copy to the Sponsor(s) having jurisdiction.

The Board of Grand Trustees shall in no case issue a permit hereunder unless and until it has been furnished satisfactory evidence that:

- (k) A written proposal was read on the Lodge floor at least two but not more than eight weeks prior to the scheduled date for a vote of the Lodge on the proposal setting forth the following applicable information:
 - 1. Purpose of project.
 - 2. Amount to be expended for each purpose enumerated above.
 - 3. Amount of indebtedness to be created.
 - 4. Any property to be mortgaged.
 - 5. Persons to be authorized to act for the Lodge.
 - 6. Amount to be received by the Lodge.

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- (l) The proposal read on the floor of the Lodge was mailed to each Member of the Lodge at least ten (10) days prior to the date of the regular meeting at which it will be voted upon, and
- (m) That at the regular meeting the proposal was adopted by at least a favorable vote from two-thirds of the Members present.
- (n) That the Lodge has met the requirements of Section 12.070.

Copy of the notice sent to the Members shall be mailed at the same time to the Sponsor, the District Deputy Grand Exalted Ruler, and the Building Applications Member of the Board of Grand Trustees having jurisdiction thereof.

Action taken by a Lodge which is not in strict compliance with the provisions of this Section shall be void.

The Board of Grand Trustees shall investigate all applications submitted under the provisions of this Section. It shall refuse to issue a permit if the proposed project is financially unsound and otherwise not in the best interest of the Lodge or the Order. The Lodge should have a 60% equity in its assets upon completion of the project.

A Member of the Lodge claiming that the provisions of this Section had not been followed may file a written protest within fourteen (14) days of the Lodge vote with the Building Applications Member of the Board of Grand Trustees having jurisdiction, setting forth therein, in detail the irregularities claimed and the source of information concerning them. The protest shall be given due consideration by the Board in its processing of the application.

On approval by the Board of Grand Trustees, it shall issue an official permit to the Lodge, which shall be its authority to proceed with the project. A copy of the permit will be sent to the Grand Secretary.

No Lodge shall exceed the authority granted in the permit unless and until it has received further authorization from the Board of Grand Trustees. If it appears, during the course of completion of the project, its cost will exceed the authority, the Lodge shall immediately communicate that fact, and all information concerning it, to the Chairman of the Board of Grand Trustees and it shall be guided by his instructions in the matter.

Upon completion of the project, the Exalted Ruler and the Secretary of the Lodge shall certify that the project has been completed. The certification shall be forwarded to the Grand Secretary. If it appears there has been a violation of the terms of the permit, the Grand Secretary shall refer the matter to the Chairman of the Board of Grand Trustees for investigation and appropriate action.

Projects approved under the provisions of this Section shall be commenced within one year after the date of the permit and shall be completed within one year after commencement, unless the time is extended upon application to the Board of Grand Trustees. If not commenced and completed within the time limits and no extension application has been made, a new application must be submitted by the Lodge.

A State Association, whether incorporated or not, must obtain a permit from the Board of Grand Trustees upon their undertaking any of the transactions listed in paragraphs (a) through (i) of this Section.

Permission to borrow money for a period of less than one (1) year, and not collateralized by a mortgage, may be approved by the Sponsor of the State in which the Lodge is located.

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If a Lodge shall permit a violation of this Section, the Grand Exalted Ruler, with the consent of the Board of Grand Trustees, shall have power to suspend or revoke its Charter.

• OPINIONS •

01 A Lodge By-Law may create a reserve fund for remodeling and refurbishing its home specifying which revenues or portions thereof shall be put into the fund.

02 An increase in an earlier approved mortgage (by the Grand Trustees) must be approved by the Board of Grand Trustees.

03 A Lodge is granted a permit to lease a building with an option to purchase. A further application is necessary if the Lodge decides to exercise the option as the prior permit only permitted the lease of the building.

04 Any material amendment of a proposal properly noticed to the membership under this Section must be completely reprocessed under the provisions of this Section before being voted upon at a regular meeting.

05 A Lodge resolution authorizing the sale of its real property, may specify therein that the proceeds be used exclusively for the purchase of a more desirable site and erecting a building thereon.

06 A Lodge may properly accept a conveyance from an Elks Home Corporation and assume any mortgage indebtedness thereon; provided that the provisions of this Section are properly complied with.

07 Notice to Lodge of proposal to purchase, sell, etc., should give sufficient details of the proposal so as to adequately inform the membership of what is contemplated, in a specific rather than in a general way.

• DECISION •

01 No violation of §16.050 will be found where the State Sponsor approved the borrowing under the §16.050 exception for borrowings approved by the Sponsor. (*Grand Forum, Case No. 1272, 2013*)

Section 16.060. The proceedings of all meetings shall be characterized by proper decorum, and no vulgarity, profanity or indecent conduct shall be permitted. A Member violating this provision shall be subject to discipline, suspension or expulsion. A Member shall be responsible to the Lodge for the conduct of guests admitted upon his invitation.

Section 16.070. A Lodge may establish a home or club bearing a name, title or emblem of the Order, within its basic jurisdiction whether within or without the corporate limits of the city, town, community or village.

A proposal to change the name of a Lodge must be approved by the Grand Lodge.

• OPINION •

01 A Lodge may lease and improve a park within its basic jurisdiction, provided the leasing and use of the park is handled as a Lodge proposition and no Member is excluded from it.

Section 16.080. A Lodge may hold a social session to which persons not members may be admitted. No social session shall be held during Elks Memorial Day Services, or during a meeting of the Lodge.

• OPINION •

01 Each Lodge is the judge of the restrictions it may desire to set for any social session as long as no Law of the Order is in contravention thereof. Visitors may be permitted to attend these sessions.