

BY-LAWS OF SEVERNDALE COMMUNITY ASSOCIATION, INC.

(Revised April 2011)

ARTICLE I

OFFICES

The principle office of the Association in the State of Maryland shall be in Severna Park, Anne Arundel County, Maryland. The Association may have such other offices as the Board of Directors may determine or as the affairs of the Association may require from time to time.

ARTICLE II

PURPOSES AND FUNCTIONS

It shall be the general purpose and function of this Association, as a private, non-profit organization, to maintain and promote a community association for residents and homeowners within the community boundaries of the community known as "Severndale", Severna Park, Anne Arundel County, Maryland. The functions shall encompass the following specific purposes and functions:

- a) To organize and operate a community organization for community improvement and for the protection and stimulation of interest in the development and improvement of living conditions in the community known as "Severndale", and in connection therewith, or otherwise, to develop, construct, maintain and operate in the area of the aforesaid community or elsewhere, one or more, and any combination of any of the following: community beaches, wharfs, piers, swimming pools or other recreational facilities; and, to further maintain and operate such with all the usual conveniences commonly found at such beaches, wharfs, piers, pools and other recreational facilities and any other conveniences as may be deemed appropriate or desirable by the membership.
- b) To acquire, develop and maintain, for the benefit of the membership of the Association, the right and privilege to use waterfront property on Forked Creek, a tributary of the Severn River, Anne Arundel County, Maryland, or elsewhere, in accordance with these By-Laws.
- c) To buy, sell, mortgage, lease, operate, convey, execute options on, grant options on, exercise options on, and otherwise acquire and dispose of beaches, waterfront properties, recreational facilities and equipment and all other property, real and personal, which is used or may be used for the benefit, recreation or enjoyment of the members of the Association, and to construct, equip, operate, lease, rent, hire and manage buildings, equipment and facilities in the furtherance thereof.
- d) To solicit, receive and dispense funds for the carrying out and accomplishment of any and all of the objects and purposes of the Association.

- e) To carry on any lawful business and to have and to exercise all powers conferred by the general laws of the State of Maryland upon corporations formed there under. To exercise and enjoy all powers, rights and privileges granted to or conferred by said general laws now or hereafter in force.

### ARTICLE III

#### MEMBERS

##### Section I – Eligibility for Membership:

All adult residential property owners living within or owning property lying within the geographic boundaries of the community known as “Severndale” shall be members of the Association. The geographic boundaries of the community known as “Severndale” shall include all properties as shown on the various plats of “Severndale” said plats being recorded among the Plat Records of Anne Arundel County, Maryland, and known as, Severndale, Section One, as shown in Plat Book 31, Folio 100; Severndale, Section Two, as shown in Plat Book 31, Folio 21, Severndale, Section Three, as shown in Plat Book 32, Folio 32 and Severndale, Section Four, as shown in Plat Book 62, Folio 26.

##### Section II – Classes of Members:

- a) Property Members/Voting Members: All those persons who are eligible for membership in the Association are residential property owners and shall hold a voting membership. Each voting membership shall consist on one (1) or two (2) adult voting members per deeded property not to exceed two (2) votes per deeded property. In addition to voting rights, the voting members and their children residing in the same household shall also be entitled to such other privileges and rights as may from time to time be designated by the Board of Directors; such rights include but not limited to the right to participate in social and recreational activities of the Association, such as docks, rafts, beaches, paved access roads, picnic grills and tables and sanitary facilities.
- b) Tenant Members: A tenant is defined who rent property in Severndale. Any adult person eligible for membership in the Association as herein more fully defined who rent property in Severndale shall be a non-voting member of the Association. Tenant members shall be permitted to attend all general membership meetings of the Association and to voice opinions or make motions from the floor; they shall not, however, be permitted to vote on any issue except by written proxy by the property owner.
- c) Proxies: Written direction from a property owner conveying the right to act on their behalf. A valid proxy must specify the person voting to a specific adult person, time frame valid for and signed and dated by the property owner. The proxy form is validated by the Secretary or another member of the Board of Directors if the Secretary not there to validate the proxy. At any annual or special meeting of the members, a member entitled to vote, may vote on any issue by proxy executed in writing by said member. Tenant members may vote as outlined in Article III, Section II, and Paragraph b.

## ARTICLE IV

### OFFICERS and DIRECTORS

The Association management shall consist of a Board of Directors. The Board will be comprised of four (4) Officers and at least five (5), but not more than nine (9) Directors-at-Large. No person shall be nominated for or hold more than one (1) office on the Board at any one time. Term of office shall run 1 April to 31 March.

#### Section I – Officers:

The Officers of the Association shall consist of the President, Vice President, Secretary and Treasurer. The tenure of office for all Officers shall be one (1) year. Each Officer in attendance is entitled to one (1) vote on any issue brought to vote at the meetings of the Board of Directors. In addition to having joint responsibility for the duties enumerated in Section II below for Directors-at-Large, the Officers shall have the following specific responsibilities:

a) President:

The President shall be Chairman of the Board as provided in Article IV, Section II shall provide over general and special meeting for the community association. He/she (hereafter referred to as “he” for the purposes of clarity) shall have general and active management of the business of the corporation; he shall see that all business of the Board is carried through to completion; and, he shall sign official correspondence and documents of the corporation. Historical records of the Association, such as minutes of meetings, financial ledgers and tax exemption references, shall be maintained by the President or designee. The out going President shall serve as a Director-at-Large for one (1) year following their term as President.

b) Vice President:

The Vice President shall perform the duties and responsibilities of the President in the absence of the President. He shall perform other duties imposed upon him by the President or Board of Directors. In the event of a permanent vacancy of the office by the President, the Vice President will automatically vacate the Vice Presidency and assume the office of the President for the remaining time of the President’s term. The Vice President is chairman of the nomination committee for elections.

c) Secretary:

The Secretary shall attend all sessions of the Board and all meetings of the Association and act as clerk thereof, and record all votes and minutes of proceedings in a Minute Book to be kept for that purpose, and shall prepare and distribute a copy of the minutes to each Officer and Director-at-large of meetings of the Board of Directors. He shall give or

cause to be given, notice of all meetings of the Association and shall be responsible for the preparation of all official correspondence and documents and shall maintain a listing of all members arranged by address and noting the class of membership as defined in Article III, Section II. He shall perform such other duties as may be prescribed by the Board of Directors or President.

d) Treasurer:

The Treasurer shall have custody of the Association's funds and shall keep full and accurate accounts of receipts and disbursements, and he shall deposit all money and other valuable effects, such as deeds, corporate articles, etc., in the name and to the credit of the Association, in such depository as may be designated by the Board of Directors. He shall disburse the funds of the Association as ordered by the Board of Directors. He shall keep financial ledgers and tax exemption reference for the Association. He shall provide an accounting of all transactions and of the financial condition of the Association at all regular and special meetings or when so ordered by the President. A written accounting shall be included in the minutes of all regular meetings. He shall prepare all notices of dues or fees as ordered by the Board of Directors. He shall prepare a written budget and present to the community in accordance with county and/or state laws. He shall distribute this budget annually to the community members in accordance with Article VII of these by-laws.

Section II – Directors–At–Large:

The tenure of the office of each Director-at-Large shall be two (2) years with the exception of the outgoing President whose term as a Director-at-Large shall be one (1) year. About half of the Director-at-Large will be elected every other year to help provide continuity to Officers and Directors of Severndale Community. Each Director-at-Large in attendance shall be entitled to one (1) vote on any issue brought to vote at the meetings of the Board of Directors. The Directors-at-Large, acting jointly with the Officers as the Board of Directors, shall have the following duties and responsibilities, provided that they do not conflict with other provisions of the By-Laws or Articles of Incorporation:

- a) They shall determine the budget for the Association in compliance with Article VII.
- b) They may accept on behalf of the Association any contribution, gift, bequest or devise for use by the Association.
- c) They shall appropriate funds for Association business and activities in compliance with Article VII, and with rules of Special Community Benefit District, they may authorize any Officer(s) or Agent(s) for the Association to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the Association, and such authority may be of a general or specific nature.
- d) They shall fill the position of any Officer or Director-at-Large vacated in accordance with Section IV below.

- e) They shall have the authority to create or dissolve standing and ad-hoc committees as determined necessary, e.g. recreation, beach, block captain liaison, etc.; and they shall define the duties of any such committee and shall appoint the committee chairman from within the ranks of the Association membership.
- f) Any Officer or Director-at-Large may perform the duties of the chairman provided for in paragraph (e).
- g) They may amend the By-Laws or adopt new By-Laws as provided for in Article VIII consistent with the Articles of Incorporation and subject to ratification by the general membership.
- h) They may increase or decrease the number of Directors-at-Large subject to a majority vote of the Board and effective not prior to ratification by the general membership; provided, however, that the number of Directors-at-Large not be increased to more than nine (9) nor decreased to less than five (5), and further, provided that the tenure of office of any Director-at-Large shall not be affected thereby. The total membership of the Board, including Officers and Directors-at-Large, shall be maintained at an uneven number so as to eliminate as far as possible any deadlock in voting.

Section III – Qualifications of Officers and Directors-at-Large:

Officers and Directors-at-Large must be property owners and reside in Severndale as their primary residence.

Section IV – Replacement, Removal or Resignation:

The Board of Directors shall be responsible for filling vacancies, including Officers and Directors-at-Large with the exception of the Office of the President. The Vice President will fill as outlined in Article IV, Section 1 Officers, subsection b) Vice President. Each vacancy shall be filled for the remainder of the term of the vacated position within sixty (60) days of the official date of vacancy. A majority vote of the Board of Directors is required. An Officer or Director-at-Large may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby. A two-thirds (2/3) vote of the Board membership shall be required for removal from office. Resignation from office by any member of the Board of Directors shall be in writing.

ARTICLE V

MEETINGS

Section I – Annual Meetings:

Annual meetings of the members shall be held for the transaction of community business, and for the election of Officers and Directors-at-Large, at a place in Anne Arundel

County, Maryland, as determined by the Board of Directors. The annual meeting shall be on the second Wednesday of March of every year at 7:00 p.m. When the second Wednesday in March falls on a legal holiday an alternative date will be established by the Board of Directors. Attendance shall be open to all members, voting and non-voting.

#### Section II – General Meetings:

General meetings of the members may be called at any time by the President or Treasurer or by a majority of the Board of Directors. Upon written request of at least fifteen (15) voting members, delivered to the President, it shall be the duty of the President to call forthwith a general meeting of the members. Attendance shall be open to all members, voting and non-voting.

#### Section III – Meetings of the Board of Directors:

- a) General Meetings: Meetings may be held at any place in Anne Arundel County, Maryland, not less than quarterly, for the purpose of conducting business relevant to the community of Severndale. Based on the specific agenda dictated by the meeting, the Executive Board will determine at what point the meeting will be open to the general membership of Severndale. Attendance shall be open to all members, voting and non-voting. A quorum of the Board of Directors is required to be present, as defined in Section V of this Article.
- b) Special Meeting of the Board of Directors: Special meetings can be called in the event of an emergency. They may be called at any time by the President or by a majority of the board members not less than two (2) days notice or quorum of the Board of Directors by appropriate means. The special meeting is based on a specific agenda item.

#### Section IV – Notice of Meetings:

Notice of meetings of the members shall be delivered by appropriate means which may include postings on the community sign(s), electronic and non-electronic means, not less than ten (10) days nor more than thirty (30) days prior to such meeting. Such notice shall state the place, day and hour of the meeting. The officers and directors-at-large shall be notified by the secretary of regular meetings of the board of directors in any appropriate manner.

Special meetings of the Board of Directors may be called at any time by the President or by a majority of the Board Members on not less than two (2) days notice by appropriate means.

#### Section V – Quorum:

- a) Annual meeting of the Association – the voting members present shall constitute a quorum which shall be represented by at least 13 voting members and shall be authorized to conduct any business before the Association. In the event a quorum is not attained at the Annual meeting, the Annual meeting shall be rescheduled for one month later at which time voting members present shall constitute a quorum.

- b) General Meetings of the Association – the voting members present shall constitute a quorum which shall be represented by at least 13 voting members and shall be authorized to conduct any business before the Association.
- c) Board of Directors Meetings – the presence in person of a majority of the members of the board of directors shall constitute a quorum.

Section VI – Conduct of Meetings:

All business transacted at annual, general and special meetings of the members and at the Board of Directors’ meetings shall be conducted in accordance with the procedures as described by Robert’s Rules of Order.

ARTICLE VI

VOTING

Section I – Eligibility:

- a) Annual and Special Meetings: Eligibility for voting shall be as described in Article III, Section II. The special benefit assessment shall entitle each member to vote at the annual meeting held at the end of the annual period for which dues are paid. Each annual period is considered to extend from the adjournment of one annual meeting to the adjournment of the next.
- b) Board of Directors’ Meetings: Each Board member shall have one (1) vote.

Section II – Conduct of Voting:

- a) Meetings of the General Membership: General business matters may be voted on by a show of hands of the members present. The election of Officers and Directors-at-Large shall be by written ballot, as described in Section III of this Article.
- b) Board of Directors’ Meetings: Voting may be conducted by a show of hands of the quorum of Board members.
- c) Proxies: At any meeting of the members, a member entitled to vote, may vote on any issue by proxy executed in writing by said member. Proxy voting is outlined in Article III, Section 2, and paragraph c.
- d) Majority Vote: The majority vote will determine the disposition of each issue voted upon, unless otherwise provided for in these By-Laws.

Section III – Method of Voting:

- a) For the purpose of electing Officers and Directors-at-Large of the Association, the voting shall be by written ballot on a ballot prescribed by the Board of Directors. The ballot shall be distributed to the members along with notice of the annual meeting of the Association. The ballot will contain no more than two (2) nominations for each position.
- b) Nominations for any vacancy may be made from the floor at the time of the annual meeting. Nominee must a property member as defined in Article III, Section II, paragraph a, and the nominee must also accept the nomination at the annual meeting.
- c) Ballots for the general election shall be delivered to any member of the chair or their designee of the nominating committee at or prior to the annual meeting.
- d) Ballots for the general election shall be verified and tallied by the nominating committee and election to each office shall be by plurality vote.
- e) Run-off voting, if necessary, shall be conducted by the nominating committee chair and the election shall be by a plurality. The manner of voting shall be chosen by the Board of Directors prior to the meeting.

Section IV – Nominating Committee:

- a) The nominating committee shall be composed of the Vice President and a committee chosen by the Vice President. The committee shall be at a minimum 2 members plus the Vice President. At least one-half (½) of the committee members shall be member(s) of the Association other than members of the Board of Directors.
- b) The committee shall present a proposed slate to the Board for adoption at a Board of Directors' meeting prior to the annual meeting. The slate shall consist of two (2) nominees for any vacancy to be filled whenever possible.
- c) The committee shall be responsible for determining the eligibility of nominees prior to presentation of the proposed slate to the Board of Directors.
- d) The committee shall be responsible for the verification of ballots and the tallying of votes at the annual meeting.

ARTICLE VII

The fiscal year of the Association shall be the same as Anne Arundel County's fiscal year – July 1 through June 30<sup>th</sup> of the following year.



Section I – Income:

Revenues of the Association shall be from the following sources:

- a) Assessment received from the Anne Arundel County Controller as the result of submitting the Association’s Special Community Benefit District Budget.
- b) Receipts from annual social fees; proceeds from Association sponsored functions; interest from deposited funds; and/or contributions/gifts.
- c) Funds received from the Association’s Special Community Benefit District Budget will be deposited in a separate bank account from the funds received from fees, proceeds of sponsored functions, contributions and gifts.
- d) Any interest received from above deposits will be credited to that account balance.
- e) Fees to support Association’s programs/functions that are not covered or authorized by the Special Benefit District’s regulations shall be determined by the Board of Directors, subject to approval of the membership at the next annual or special membership meeting. Notices of dues shall be mailed or delivered in accordance in Article V, section 4 and shall be payable on or before July 1, the beginning of the fiscal year.

Section II – Expenditures:

The Board of Directors shall prepare two annual budgets – one for the Assessment under the guidelines of the Anne Arundel Special Benefit District’s regulations and one for support of the Association’s programs not covered or authorized under the Special Benefit District regulation. Separate records, checks, etc. will be maintained for the expenditures made under each of the above budgets.

ARTICLE VIII

AMENDMENTS

Section 1 – Procedure:

- a) Amendments to the bylaws of Severndale Community Association shall be proposed only by resident property owners, the executive board, or standing committees of the Association, and shall be submitted in writing to the secretary of the Association by December 15 of the year preceding the annual meeting. Such proposed amendments may be the Severndale Community Association, provided that copies of the proposed amendments shall be sent at least thirty days before the annual meeting to all property owners of the Association.

- b) Proposed amendments shall be distributed by appropriate means to the resident members at least 30 days prior to the annual meeting and this shall constitute the first reading of the amendments. All proposed amendments will be voted on at the annual meeting.

Section 2 – Vote Required:

- a) Proposed amendments with 30 days advanced notice shall be adopted by a two-thirds favorable vote of those in the annual meeting.
- b) Non-residents property owners may designate a proxy for their vote, by notifying the Association secretary in writing of their designation at least 10 days before the Association’s annual meeting.
- c) The Association nominating committee shall be the principal entity designated for counting the proposed amendment votes

ARTICLE IX

BONDING

The Association may be bonded in such amounts as shall be determined appropriate by Anne Arundel County.

ARTICLE X

AUTHORIZED SIGNATURE

The Board of Directors shall determine who shall be an authorized signatory on any checking or savings account of the Association.