

# SEVERN RIVER ASSOCIATION, INC.

## BYLAWS

Adopted \_\_\_\_\_, 2013 to supersede all prior governance documents

### ARTICLE I: DEFINITIONS

SRA	The Severn River Association, Inc., which is The Corporation
Board	SRA Board of Directors
President	President and Chairman of the Board, a single person serving both roles
Principal Officers	President, Treasurer
His, He	His or Her, He or She, as may be the case for the individual referenced

### ARTICLE II: PURPOSES & ORGANIZATION

**PURPOSES.** The purposes of SRA are to improve the environmental, civic and educational welfare of the residents living in the Severn River Watershed and to promote the adoption and enforcement of policies, rules, regulations and laws that will advance the foregoing purposes

**OWNERSHIP.** SRA is a nonstock corporation in the State of Maryland. No part of SRA's assets and net earnings shall inure to the benefit of any member, director or officer, or employee of SRA.

**LOCATION.** SRA's principal office shall be at the place recorded with the Maryland State Department of Assessments and Taxation.

### ARTICLE III: MEMBERS

**MEMBERS.** The members of SRA shall be individual persons ("individual members"), civic or nonprofit organizations, community associations organized by residents of a geographical community (the "community members"), and for-profit business entities ("business members"). Qualifications for membership, associated rights and privileges, and dues shall be established by the Board. Membership is not transferable and carries no compensation.

**MEETINGS.** All meetings of members shall be held at a time and place set by the Board and stated in the Notice of the meeting. An annual meeting of the members shall be held for the election of directors and the transaction of other business. The President or Board may call special meetings of the members. The Secretary shall keep regular minutes of meetings and report the same to the Board. Meetings are open to all members, and to such additional persons as may be authorized by the Board.

**NOTICE and SCOPE.** Not less than 15 nor more than 90 days before each meeting of members, the Secretary shall provide notice stating the time, place, and purpose of the meeting by any means permitted by Maryland law. No business shall be transacted at a special meeting of members except that specifically designated in the notice.

VOTING. Members, with the exception of Business Members who shall have no vote, have a right to one vote at the Annual or a Special Meeting. Voting members shall have the right to nominate candidates and propose provisions supplementary to those offered by the Board. Nominees must indicate acceptance prior to their election. A majority of all the votes cast at a meeting of members duly called and at which a quorum is present shall be sufficient to elect a person or approve a matter, unless more than a majority are required by these Bylaws. Voting may be by voice unless the presiding officer shall order, or any member shall demand, that voting be by ballot.

QUORUM and PROXIES. At any meeting of members, the presence in person or by proxy of at least ten members shall constitute a quorum. A member shall be entitled to vote in person or by proxy. Any proxy shall be in writing and signed by the member, dated less than eleven months before the meeting unless the proxy names a longer period for which it is to remain in force.

#### **ARTICLE IV: BOARD OF DIRECTORS**

POWERS. The Board shall set policy for SRA business and affairs. It shall supervise officers, provide them with guidance, and define constraints, financial and otherwise, within which they must operate.

COMPOSITION. The voting Board shall consist of the principal officers, plus a number of directors numbering at least eight (8) or more as may be required by Maryland law, and not more than sixteen (16) by the end of a year following the adoption of these Bylaws. A minimum of 1/4 of the total number of directors shall be endorsed by his Member Community Association. Principal officers are *ex officio* members of the Board, entitled to vote, but are not directors. No director can also be an officer, and no officer can also be a director.

A 2/3 majority vote of the Board is required to change the number of directors, and a director's tenure of office shall not be affected by any change in that number. When invited by the Board, other officers, employees, and individuals may attend and participate in Board meetings, without a vote.

TERM OF OFFICE. The principal officers shall serve as *ex officio* members of the Board for a term coterminous with their terms of office. Each director's term of office shall be three (3) years, modulated by this initial provision: at the first annual meeting following adoption of these Bylaws, the President shall conduct a blind drawing among elected directors of tokens for one, two, and three year terms in order to achieve staggering of terms as evenly as possible. Directors may exchange drawn tokens among themselves by mutual agreement. Each director shall hold office until the expiration of his term and until his successor shall have been elected, or until his earlier death, resignation or removal.

VACANCIES. Any vacancy may be filled by the Board by majority vote at any Board meeting. A director so elected shall serve for the remainder of the vacated term until his successor is duly elected and qualified. A vacancy will be deemed to exist if a director has missed three consecutive Board meetings, unless excused by a vote of the Board.

ANNUAL MEETING. The annual meeting of the directors of SRA shall be held on such date and at such time and place as shall be designated by the Board and stated in the notice of the annual meeting. The business to be transacted at the annual meeting shall include the election of officers and any other corporate business as may properly come before the meeting.

REGULAR MEETINGS. Regular meetings of the Board shall be held at least quarterly on such dates, and at such times and places as may be designated by the President or by the Board.

SPECIAL MEETINGS. Special meetings of the Board may be called by the President or by at least three (3) directors, who may fix the meeting's date, time and place.

OPEN MEETINGS. Board meetings above are open to SRA members as observers with no right of participation unless invited by the Board. Meetings can only be closed for cause pertaining to sensitive employment/personnel matters, competitive considerations such as contract negotiations, and litigation.

NOTICE. Notice of annual or regular meeting, shall be given to each director by written notice delivered personally, by mail, by telephone, electronic means, or by courier at his last known residence or usual place of business, at least seven (7) days prior to the meeting.

QUORUM. A majority of the directors shall constitute a quorum. No business except adjournment shall be transacted until a quorum is present.

VOTING. Each director and principal officer shall have one vote, except that principal officers shall not vote in the nomination or election of officers. The affirmative vote of a majority of directors present and entitled to vote at any duly called meeting at which a quorum is present shall be sufficient.

MINUTES. The Secretary shall keep regular minutes of Board meetings.

COMPENSATION. Directors shall not receive any salary for their services but, if authorized by the Board, expenses for attendance at Board and committee meetings may be paid.

INFORMAL ACTION. Any action required or permitted to be taken at any Board meeting may be taken without a meeting by unanimous consent in writing or by electronic transmission and filed with the Board minutes.

MEETING BY TELECONFERENCE. Board members may meet by teleconference if all persons participating can hear each other at the same time. Participating in a meeting by such means constitutes presence in person.

REMOVAL. Any director may be removed, with or without cause, by vote of not less than 2/3 of the SRA Board or 2/3 of the voting members of SRA. Any director whose removal is being considered by the directors or members shall be given an opportunity to be heard at the meeting. At the removal proceeding, such director will not be deemed a director or member for purposes of determining the existence of a quorum and voting by proxy shall not be allowed.

RESIGNATION. A director may resign by giving written notice to the Board, the President or the Secretary of SRA.

## **ARTICLE V: COMMITTEES**

NUMBER, TENURE AND QUALIFICATIONS. The Board shall appoint from among its members a Finance Committee, a Nominating Committee, and optional additional committees. Committees may also include nonvoting members who are not Board members.

Committees shall be advisory to the Board and without power to determine or execute SRA policy autonomously. Committees will have such functions and responsibilities as are specified by the Board, but no committee may exercise, and the Board may not delegate, any of its powers or authority of the Board. Each committee may fix its rules of procedure.

Notice of committee meetings shall be given as for special meetings of the Board. The Board may designate a chairman of any committee, and such chairman or any two members of any committee may fix the time and place of its meeting unless the Board shall otherwise provide.

A majority of the members of a committee shall constitute a quorum for the transaction of business and the act of a majority of those present at a meeting shall prevail in all matters. The members of a committee present, whether or not they constitute a quorum, may request a director to act as an appointed committee member in place of an absent member.

MEETING BY TELECONFERENCE. Committee members may meet by teleconference if all persons participating can hear each other at the same time. Participating in a meeting by such means constitutes presence in person.

MINUTES. Committees shall provide regular minutes and/or reports of each meeting to the Board.

INFORMAL ACTION. Any action required or permitted to be taken at any Committee meeting may be taken without a meeting by unanimous consent in writing or by electronic transmission and filed with the Board minutes.

## **ARTICLE VI: OFFICERS**

NUMBER. The officers of SRA shall be the President, Vice President, Secretary and Treasurer. The principal officers are voting members of the Board *ex officio*, but are not directors. If a Director is elected as an officer, then that creates a Director vacancy.

ELECTION AND TENURE. The Board shall elect officers at the annual meeting or as soon thereafter as possible, for a term of two (2) years. No President may serve more than two (2) consecutive terms, and no Treasurer may service more than three (3) consecutive terms. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death or until he or she shall resign or shall have been removed.

REMOVAL; RESIGNATION. Any officer may be removed by the directors whenever, in the judgment of the directors, the best interests of SRA will be served thereby. An officer may resign by giving written notice to the Board, the President or the Secretary.

VACANCIES. A vacancy in an office may be filled by the Board for the unexpired portion of the term.

PRESIDENT. The President shall preside at Board meetings, be the chief executive officer of SRA, supervise officers, and direct programs. Subject to constraints defined by the Board, he may sign and execute bonds, contracts or other obligations in the name of SRA, and act on SRA's behalf with all powers prescribed by the Board.

VICE PRESIDENT. The Vice President shall act as SRA President when, for any reason, the President is unable to. He shall have such additional duties as may be assigned by the Board.

SECRETARY. The Secretary shall attend all Board meetings and record their proceedings in writing, and shall perform like duties for committees when required by the Board. He shall give notice of all Members and Board meetings and shall have custody of the corporate records.

TREASURER. The Treasurer shall have general charge of the financial affairs of SRA, with powers to perform the duties of Treasurer as may be prescribed by the Board or by the President. The Treasurer shall submit financial reports at each quarterly Board meeting, and prepare such financial reports and filings as are required by law and regulation. If required by the Board, he shall give SRA a bond in such sum as shall be satisfactory to the Board for the faithful performance of his duties and for the restoration to SRA, in case of loss for any reason, of SRA records, money, and other property of whatever kind in his possession or under his control

SPECIAL APPOINTMENTS. In the absence or incapacity of any officer, or in the event of a vacancy in any office, the Board may designate any person to fill any such office *pro tempore* or for any particular purpose.

COMPENSATION OF OFFICERS. The compensation of the officers shall be fixed from time to time by the Board. Total compensation of officers shall not exceed 5% of total SRA revenues.

## **ARTICLE VII: EXECUTIVE DIRECTOR**

The Board may employ an Executive Director who shall be the chief staff officer of SRA, subject to the control of the Board and supervision by the President. The Executive Director shall supervise and have general charge of the day-to-day management and operations of SRA and shall assist the President in carrying out the policies, programs, orders, and resolutions of the Board. The books and financial records of SRA shall be maintained by Executive Director, in a manner fully consistent with and supportive of the Treasurer's responsibilities. All monies payable to SRA from any source shall be received and deposited by him to the credit of SRA in such financial institutions as the Board may designate. He shall keep proper account of all monies received and disbursed on behalf of SRA, and of all associated records. The Executive Director shall ensure that all orders of the President and Board policies and resolutions are observed. He shall keep the Board, officers, and committees fully informed and shall consult closely with them. The Executive Director shall administer SRA's employee hiring, supervision, compensation, and termination and

shall have general charge of the functions and activities of SRA.

## **ARTICLE VIII: FINANCIAL MATTERS**

**FISCAL YEAR.** The fiscal year of SRA shall end on the last day of a month determined by Board resolution.

**REIMBURSEMENTS.** Any payments made to a director, officer or employee of SRA, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by the recipient to the full extent of such disallowance.

**AUDIT.** A financial audit, resulting in a written report to the Board, shall be conducted as may be required by law or contract, or at least every 3 years, or more frequently as may be directed by the Board. Such audits shall be performed by persons/organizations that are independent of officers and employees although they may be consulted for information and support.

**CONFLICT OF INTEREST.** The Board shall adopt and maintain rules defining and controlling conflicts of interest pertaining to directors, officers, employees, and members.

**CONTRACTS.** The Board may authorize any officer or agent to enter into a contract or to execute and deliver any instrument in the name of and on behalf of SRA and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon SRA when authorized or ratified by action of the Board and executed by an authorized person.

**CHECKS AND DRAFTS.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of SRA shall be signed by such officer or agent of SRA as is determined by the Board. The signatures of any two (2) of the officers of SRA are required for expenditures on behalf of SRA that are in excess of an amount applicable, as determined by the Board.

**DEPOSITS.** SRA funds not otherwise employed shall be deposited to the credit of SRA in such financial institutions as the Board may designate.

## **ARTICLE IX: AMENDMENTS**

The members of SRA shall have the exclusive right and power to alter, amend or repeal any of the Bylaws and to adopt new or additional Bylaws, by two-thirds (2/3) of all the votes cast at a meeting of members at which a quorum is present. Proposed changes can originate with the members or with the Board. The members of SRA shall also have the exclusive right and power to alter, amend or repeal any portion of the Articles of Incorporation of the Severn River Association. The members shall also have the exclusive right and final authorization of any proposed merger, acquisition, or other similar organizational change of the Severn River Association. Each of the aforementioned actions will require two-thirds (2/3) vote of approval of all the votes cast at a meeting of members at which a quorum is present, and proxies are allowed.