

BY-LAWS
of the
SHORE ACRES IMPROVEMENT ASSOCIATION
RESTATED JANUARY 17, 1990
as amended¹

ARTICLE I
NAME

SECTION 1.

The name of this Association shall be the SHORE ACRES IMPROVEMENT ASSOCIATION, INC.

ARTICLE II
OBJECTIVES

SECTION 1.

The purposes and objectives of the Association shall be:

- (a) to protect and promote the rights of its membership;
- (b) to promote and improve the community as a residential community in any legal and ethical ways deemed to be in the best interest of the majority of the membership;
- (c) to encourage and promote community spirit and community relations of the membership and the community at large;
- (d) to promote the conservation of our natural resources.

SECTION 2.

The Association shall be empowered to take whatever action necessary to carry on or accomplish the foregoing purposes, including making contracts and buying, selling, and owning property.

ARTICLE III
MEMBERSHIP

SECTION 1.

- (a) Each person age 18 or older who is either a resident or a property owner in the community of Shore Acres shall be eligible to become a member of the Association.
- (b) For purpose of this Association, the community of Shore Acres is defined as follows:

coming east on Shore Acres Road, the community begins on the left at the address 848 Shore Acres Road; and the Stonington subdivision is the western boundary;

the northern and eastern boundaries are the Magothy River; and

the southern boundary is Deep Creek and includes all the property on the south side of Deep Creek Avenue, Phillips Road and/or Wharf Road and further extends west on Shore Acres Road to the address 649 Shore Acres Road.

SECTION 2.

- (a) The Board of Directors shall establish Annual Dues for each fiscal year, and shall establish categories of membership including household memberships that provide each eligible person within a single household with the individual right to voice and vote subject to the provisions of Article XI.
- (b) A person shall become a member by paying dues for the current fiscal year.
- (c) Membership shall expire at the end of each fiscal year unless renewed by payment of dues for the succeeding fiscal year.

**ARTICLE IV
MEETINGS**

SECTION 1.

- (a) There shall be quarterly Regular Meetings of the Association. At each Regular Meeting, the Board of Directors shall report to the General Membership on the pertinent activities of the Association that have transpired since the last Regular Meeting.
- (b) The Annual Meeting of the Association shall be the fourth quarterly Regular Meeting of the fiscal year.²

- (c) The election of the Board Members and Officers shall take place at the second quarterly Regular Meeting of the Association's fiscal year (hereafter known as the "Election meeting").³
- (4) Special Meetings may be called by a majority vote of the Board of Directors. Any member of the Association may petition the Board to call a Special Meeting. The Board shall be required to call a Special Meeting upon the petition of fifteen percent (15%) of the General Membership.

SECTION 2.

- (a) Only members in good standing, as defined in Article III, shall be entitled to voice or vote in any meeting.
- (b) In the event that a member cannot attend, he or she may assign a proxy to a another member, provided that no member in attendance at any meeting exercises more than one proxy.⁴
- (c) At the discretion of the Board of Directors, members may vote by absentee ballot at General Membership Meetings, provided that the issue to be voted upon is on an agenda distributed in advance, and that the Board distributes such ballots in advance of the meeting, consistent with the provisions of Article IV, Section 5.⁵

SECTION 3.

- (a) Five percent (5%) of the General Membership shall constitute a quorum, except that in no case should a quorum be less than twenty (20).⁶
- (b) For the purpose of determining the presence of a quorum, proxies (but not absentee ballots) shall be counted, subject to the limitation in Section 2(b), and with the restriction that at least twenty (20) members must be present in person.⁶
- (c) The Secretary shall inform the presiding officer at the call to order whether or not a quorum is present.

SECTION 4.

Meetings shall be conducted under the rules for parliamentary procedure prescribed in "Robert's Rules of Order."

SECTION 5.

The Secretary shall provide the General Membership by advance notice of at least:

- (a) seven (7) days for Regular Meetings;

- (b) fourteen (14) days for the Annual Meeting; and
- (c) four (4) days for Special Meetings.

**ARTICLE V
MANAGEMENT AND FISCAL YEAR**

SECTION 1.

Management of the Association shall be vested in the Board of Directors.

SECTION 2.

The Association's fiscal year shall run from May 1 to April 30.

**ARTICLE VI
OFFICERS**

SECTION 1.

The officers of the Association shall be:

- (a) President
- (b) Vice President
- (c) Secretary
- (d) Treasurer

SECTION 2.

- (a) Elections for officers shall be conducted at the Election Meeting. The terms of the officers shall begin the first day of February following the Election Meeting and end the last day of the next January, or until successors take office.⁷
- (b) The President and Vice President may not be elected for more than two consecutive terms.
- (c) In the event of a vacancy occurring in any office, the Board of Directors shall elect a non-officer member of the Board to fill the vacancy.

SECTION 3.

The duties of the Officers shall be described below:

- (a) The President:
 - (1) shall preside at all meetings of the General membership of the Association, except during the election of officers, at which time the Chairperson of the Nominating Committee shall preside;
 - (2) shall preside at all meetings of the Board of Directors;
 - (3) shall be responsible for the ordinary conduct of business of the Association;
 - (4) shall establish such Committees as the President or a majority of the Board of Directors shall deem necessary; the members of such Committees to be those Association members who shall volunteer to serve on such committees or who shall be appointed by the President, and the Chairpersons of each Committee, other than the Nominating Committee, to be appointed by the President from among the Committee members;
 - (5) shall be empowered to make or approve routine expenditures without prior approval of the Board of Directors in an amount not to exceed \$50.00 (fifty dollars) for any one item of expense; and
 - (6) shall be responsible for the orderly conduct of every meeting and shall be empowered to have removed any person who interferes with the orderly conduct of business.
- (b) The Vice-President:
 - (1) in the absence of the President, shall assume all duties of the President and shall be afforded the rights and privileges of that office; and
 - (2) shall perform such duties as the President shall direct.
- (c) The Secretary:
 - (1) shall keep a complete and accurate record of the business of all meetings of the General membership and the Board of Directors, and shall present such record to the General Membership or Board, respectively, as minutes at each succeeding meeting;
 - (2) shall maintain an accurate up-to-date address roster and other records as shall enable the Board of Directors at any time to determine the addresses within

the Shore Acres Community as defined in the By-Laws;

- (3) shall be responsible for reproducing and mailing all notices to the members as directed by the President or the Board of Directors;
- (4) shall be responsible for all Association correspondence as directed by the President or the Board of Directors; and
- (5) shall maintain a roster of all Committees and their members.

(d) The Treasurer:

- (1) shall receive all money paid into the Association and shall deposit all Association funds in the name of the association in a bank account as designated by the Board of Directors;
- (2) shall maintain an accurate and up-to-date accounting system to record all receipts and disbursements;
- (3) shall maintain an accurate and up-to-date membership roster;
- (4) shall give an accounting of all receipts and disbursements to the General Membership at each Regular Meeting; and
- (5) shall make no disbursements from the Treasury except such specific expenditures as have been authorized in advance by the Board of Directors and such routine expenditures not to exceed \$50.00 (fifty dollars) as may be directed by the President.

ARTICLE VII BOARD OF DIRECTORS

SECTION 1.

The Board of Directors shall consist of seven (7) elected members and the four (4) officers.

SECTION 2.

The President of the Association shall serve as the presiding officer of the Board of Directors.

SECTION 3.

- (a) The Board of Directors shall meet at least once each calendar month at such time and

place as the President shall determine. Six Directors shall constitute a quorum.

- (b) The meetings of the Board of Directors shall be open to the General Membership of the Association, but at such meetings general members shall have no vote and shall have voice only at the discretion of the President or presiding officer.

SECTION 4.

Any Board Member who fails to attend three consecutive meetings without excuse satisfactory to the President shall be deemed to have resigned and thereafter shall cease to be a member of the Board of Directors.

SECTION 5.

The responsibilities of the Board of Directors shall be as follows:

- (a) to manage the Association in accordance with these By-Laws and the Articles of Incorporation;
- (b) to prepare an annual budget, including the specification of dues, for the coming fiscal year, that will be presented for approval to the General Membership at the Annual Meeting; provided⁸ that
 - (1) said budget includes a permit fee for the use of the community boat ramp to be assessed against members wishing to use said ramp other than those members who are property owners in the Lake Placid Waterway Improvement Tax District; and
 - (2) that said budget includes an outlay equal to seventy-five percent (75%) of all revenues collected from such fees in excess of six (6) permits, to be paid to the Lake Placid Tax District.
- (c) to review and approve (or refuse to approve) all Committee and Association programs, expenditures of funds (other than ordinary expenditures directed by the President not to exceed \$50.00 (fifty dollars) for any one item) and accounting procedures; and
- (d) to determine Association policy.

SECTION 6.

- (a) Directors shall be elected at the Election Meeting of the Association. Each Director shall have a two (2) year term, with four (4) Directors coming up for election in one year and three (3) Directors coming up for election the next year, with terms beginning the first day of February following the Election Meeting and ending the

last day of January two years afterward, or until successors take office.⁴

- (b) The Board of Directors shall elect a member of the Association to fill any vacancy occurring on the Board.

ARTICLE VIII ELECTIONS

SECTION 1.

The Nominating Committee, which shall consist of at least five (5) members, shall select candidates from among the membership for the offices of President, Vice President, Secretary, Treasurer, and candidates to fill the Board positions where the present Director's term is expiring. The Nominating Committee shall report its nominations to the Membership by written notice delivered at least ten (10) days prior to the Election Meeting.

SECTION 2.

Any member in attendance at the Election Meeting may submit additional nominations at the time that the Nominating Committee makes its report. The names of these candidates shall be added to the ballot prepared by the Nominating Committee.

SECTION 3.

The Nominating Committee shall conduct the election with the Chairperson of the Nominating Committee presiding. Voting shall be by written ballot. The candidates receiving a plurality vote for each position shall be deemed elected (provided a quorum is present).

ARTICLE IX APPROVAL OF BUSINESS

SECTION 1.

Normal Business, which shall constitute the routine and day-to-day operations of the Association, shall be subject to the authorization of the Board of Directors by majority vote, provided that a quorum is present.

SECTION 2.

All special business, which shall include elections of Officers and Board Members pursuant to Article VIII, approval of the Annual Budget, matters of major policy, expenditures of large sums, commitment of long-term indebtedness, and any business that is not normal business, shall be subject to the authorization of the membership by majority vote provided that a quorum is present.

SECTION 3.

The General Membership shall by majority vote of the members present at a Regular Meeting be entitled to declare an item of business as special business provided that a quorum is present.

SECTION 4.

The disposal of real property shall be considered extraordinary business subject to the provisions of Article XI.

ARTICLE X AMENDMENTS

SECTION 1.

Changes, amendments, or changes to these By-Laws may be made as follows:⁹

- (a) Any member in good standing may propose a change, amendment, or addition to the bylaws as new business at any meeting of the General Membership. The recommendation shall be referred to the Board of Directors for study and consideration upon an affirmative vote of a majority of those voting.
- (b) After study and consideration of the proposed changes, the Board shall present the proposed changes at the next meeting of the General Membership, along with the Board's recommendation, for debate and discussion.
- (c) At the second meeting of the General Membership following the introduction of the proposed changes, the proposed changes shall be submitted for a vote. The proposed changes shall be adopted if favored by two-thirds of those voting.

SECTION 2

When the general membership is scheduled to discuss or vote on a proposed bylaw amendment, the Board shall give notice of the contents of the amendment by the same means and with the same advance warning as it is required to announce the meeting at which such discussion or vote is to take place in accordance with Article IV, Section 5.

ARTICLE XI DISPOSITION OF ASSETS

SECTION 1.

The Association may dispose of real property only upon the affirmative vote of fifty-one percent (51%) of those general members who are property owners in the community of Shore Acres as defined in Article III.

SECTION 2.

No vote may be taken on the disposition of real property without thirty (30) days advance written notice by mail to the General Membership and the publication of notice in a newspaper of general circulation at least two (2) weeks advance of the vote.

SECTION 3.

In the event of the liquidation of the Shore Acres Improvement Association, disposition of assets other than real property shall be made as voted by a majority of the General Membership as defined in Article III.

STANDING RULES

Standing rules have been adopted explicitly by the Board or implicitly by repeated practice. They may be changed by: a) majority vote at a regular meeting to become effective at the next regular meeting, b) by majority vote of the Board prior to a regular meeting, or c) by two-thirds vote at a regular meeting at which the rule is to be changed. Rules 1-7 had been established by April 1995.

1) When the budget is up for consideration at a regular meeting of the general membership, amendments to the budget must not increase the proposed deficit or decrease the surplus. Any proposal to increase a category of spending or decrease a category of dues or fees must be offset by an increase in dues or fees or decrease in outlays elsewhere in the budget.

2) Proposed bylaw amendments are not amendable at the time of their adoption or rejection of the general membership. Bylaw amendments must be voted up or down without change.

3) Proposed bylaw amendments may be modified by the member submitting them up to the time that the Board makes its recommendation on them, provided that the changes do not materially alter the proposal, but are only to clarify or make technical or modest changes.

- 4) Proposed bylaw amendments may be withdrawn by the individual proposing them up until the time that the Board makes its recommendation. After that, they may be withdrawn at the general membership meeting by the person who submitted them, and with unanimous consent only.
- 5) Nonmembers may speak at general membership meetings, but only after the chair is satisfied that members have had a chance to speak first.
- 6) Agenda for general membership meetings may be set by the Board. If the Board does not set agenda, the President may do so.

OLD STANDING RULE

- 1) Proposed bylaw amendments must be publicized to the general membership by flyer or newsletter prior to being placed on the agenda for a final vote. Advance notice of the proposal must be at least the time required for notice of the meeting at which it will be voted on. **Superseded by bylaw amendment, July 20, 1996.**

CHAIR RULINGS

Rulings by the chair are binding, but may be appealed and overridden by majority vote. These rulings have been rendered in the past. Rulings 1 and 2 had been rendered by April 1995.

- 1) The vote to approve a bylaw amendment must be by two-thirds majority. (It is not specified in the bylaws. Two-thirds is typical practice for bylaw and constitutional amendments and is recommended by Robert's Rules). **Superseded by bylaw amendment, July 20, 1996.**
- 2) Proxies may be counted toward a quorum at regular meetings of the general membership. **Superseded by bylaw amendment, July 20, 1996.**

NOTES

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1. Amended July 16, 1993; April 22, 1995; and July 20, 1996.
 2. In the original 1990 version, the Annual meeting had to be held in the final week of April. *Provision changed July 16, 1993.*
 3. In the original 1990 version, election of officers and the election meeting were held in the third quarterly regular meeting (November-January). *Provision changed July 16, 1993.*
 4. In the original 1990 version, no provisions were made for proxies. They were accepted without limit as a matter of

practice. *Provision changed July 20, 1996.*

5. In the original 1990 version, no provisions were made for absentee ballots. *Provision changed July 20, 1996.*

6. In the original 1990 version, the quorum was 15 percent, with no explicit specification for whether proxies counted. *Provision changed July 20, 1996.*

7. In the original 1990 version, terms of office ran May 1 - April 30. *Provision changed, April 22, 1995.*

8. In the original 1990 version, no separate provision existed requiring boat ramp permits or their allocation to the Lake Placid District. *Provision added, July 16, 1993.*

9. In the original 1990 version, only two meetings were required to introduce and pass an amendment: one for introduction, one for a vote. No provision was made for notifying membership. The need for majority or 2/3rds vote was not clear. Two-thirds was used in practice. *Provision changed July 20, 1996.*