

CIVIC ASSOCIATION OF THE PALISADES, INC.
BY-LAWS

ARTICLE I
PURPOSE OF THE ASSOCIATION

The Association is known as the Civic Association of Palisades (CAP), a voluntary, non-profit organization whose purpose is to foster community and manage commonly held properties in the areas in Anne Arundel County, Maryland, known as Palisades Park, Palisades on the Severn, and Severn Landing. Those common areas are listed in the Real Property Asset Ledger, maintained by the Treasurer.

ARTICLE II
MEMBERSHIP

1. Any property owner or renter whose property lies within the boundaries of Palisades on the Severn, Palisades Park, or Severn Landing will be eligible for membership.
2. Full Membership – Households owning property within the boundaries of the Association are eligible for Full Membership. Upon payment of the designated dues and fees, Full Members may use all community facilities, vote at community meetings, and request the Board to attend Board meetings as observers. Full Members who are year-round residents of the community may serve on the Board of Governors.
3. Associate Membership – Households renting properties or renting apartments in properties within the community are eligible for Associate Membership. The dues and fees are the same as for Full Membership and include the use of all community facilities, but Associate Membership is not a voting membership and does not provide the Associate Member with the right to serve on the Board of Governors.
4. Membership shall include all persons in a household. Each Full Membership (household) will be entitled to only one vote. The eligibility for each membership will be verified by the Board of Governors.

ARTICLE III
DUES AND FEES

1. Annual dues and fees of members will be determined by the voting membership. Dues are to be paid by February 1st of each calendar year. Any member whose dues are delinquent will lose all membership privileges, including the right to vote at the General Meetings. Privileges will resume once dues are paid.
2. Those households becoming members after the normal dues collection date will pay for the entire year. Any household paying between October 1 and December 31 will pay for the entire year and have that amount credited to the following year's dues and fees.

ARTICLE IV BOARD OF GOVERNORS

1. The affairs, business, and property of the Association will be managed by an eleven-member Board of Governors, henceforth to be referred to as the Board. The Board will consist of a President, Vice President, and nine Governors. Each year, the general membership will elect three Governors (who will serve three-year terms), a Vice President (who will serve a one-year term), and a President (who will serve a one-year term). The Board will elect the Secretary and the Treasurer from among the nine Governors. These Governors continue to serve in these roles until the Board elects a replacement, or the Governor leaves the Board. Collectively, the President, Vice-President, Secretary, and Treasurer make up the 'Officers' of the Board.
2. If the office of President becomes vacant during the year, the Vice President will assume the Presidency and serve as President until the end of the term.
3. If the office of Vice President becomes vacant during the year, the Board will choose an Acting Vice President to serve until a General Meeting nominates and elects a new Vice President, who will serve until the end of the year.
4. If the positions of President and Vice President simultaneously become vacant, the Board will choose an Acting President and an Acting Vice President to serve until a General Meeting nominates and elects new officers to serve the remainder of the terms of the previous officers.
5. If any Governor position other than the President and Vice President becomes vacant, for any reason, that position will remain vacant until the next General Meeting when a new Governor will be nominated and elected to serve the remainder of the term of the previous Governor.
6. A quorum of the Board must be present at a Board Meeting for the transaction of all business. A quorum consists of six Board members. Business will be determined by a majority of those Board members present at a duly constituted Board Meeting; however, the membership will have an overriding authority.
7. The Board will meet a minimum of ten (10) times annually on dates of the Board's choosing. The President will notify all Board members at least one week before any Board Meeting. The one week notification requirement may be waived in case of an emergency requiring immediate action. In case of emergency, all Board members must be notified of the time and place of the meeting and a quorum must be present to conduct business.
8. Only one member of a household can serve on the Board at one time.
9. Board members must recuse themselves from voting on or engaging in any discussion involving a potential conflict of interest.
10. A Board member may be removed from office by a vote of eight (8) Board members or the majority of the General Membership at a duly-constituted General Meeting.

**ARTICLE V
DUTIES OF OFFICERS**

1. The President will preside at all Board and General Meetings of the Association. In her/his absence, the Vice President will preside. The President will nominate for Board approval all committee chairmen and will be an ex-officio member of all committees. S/he is not a voting member of any committee. The President is responsible for developing and distributing an agenda at least five days before any General Meeting. The President will hold the keys to the CAP safe deposit box, used to store deeds, Articles of Incorporation, and other legal and procedural documents. The President will maintain an accurate list of the contents of the safe deposit box.
2. The Vice President is responsible for assuming the duties of the President in her/his absences. The Vice President is responsible for conducting an annual review of CAP website content and notifying the Communications Committee Chairperson or his/her designate of any changes needed. The Vice President is also responsible for conducting an annual review of the CAP rules and regulations and notifying the Board of any areas that need to be reconsidered. Additionally, the Vice President will maintain the association insurance policies, ensuring CAP is adequately insured to cover replacement of real property, liability of the organization, and indemnity of the Board.
3. The Treasurer will be responsible for all fiscal matters of CAP, including maintaining accounting ledgers that include real property (land and structures), cash, and any other financial assets or liabilities; maintaining checking and savings accounts; receiving and paying all debt accrued by the Association; receiving and recording all dues, fees, and contributions received from the members of the Association; and filing all government required paperwork. The Treasurer will provide a current and accurate financial statement to the Board at each Board Meeting and to the membership at each General Meeting. At the first General Meeting of the year, the Treasurer will provide the membership with a financial statement covering the previous year.
4. The Secretary will record a complete and true record of the proceedings of all Board Meetings and General Meetings. S/he will provide draft minutes to all Board members to ensure accuracy and will provide a final, Board approved copy to the Communications Committee Chairperson or his/her designate for publication on the website. During voting, the Secretary is responsible for ensuring valid ballots and written vote totals, to include valid absentee and proxy votes.
5. Each officer will maintain a procedures manual, describing the job and the steps needed to accomplish it.

**ARTICLE VI
BUDGET AND ASSET MANAGEMENT**

1. The expenditures for each year's operating expenses will be funded by that year's receipts.
2. Reserve funds will be maintained to pay for emergency unbudgeted expenses and major repairs, maintenance, and replacement of existing facilities. Expenditures from reserve funds for

emergencies require approval of the majority of the Board of Governors. An emergency expense is one that is required to avoid injury or to avoid incurring further expense. Expenditures from reserve funds for non-emergency repairs, maintenance, and replacement of existing facilities require approval of the general membership.

3. Acquisition of real property (land and structures) and special projects will be funded by money raised, allocated, and/or set aside for a specific purpose by approval of the general membership.
4. Disposition of real property will require approval of the general membership.
5. CAP will maintain checking and savings accounts in FDIC insured financial institutions. Three individuals will be authorized to sign for each account: the President, the Vice President, and the Treasurer. One authorized signature is required to sign a check. Two authorized signatures are required to remove funds from a savings account.
6. Each year, the Treasurer, with input from the Vice President and the Committee Chairpersons, will develop a budget for the following year. Each year's budget will include a line item for each category of operating expenses, as well as a line item for contingencies of 5% of the operating expenses and a line item for an addition to the Reserve Accounts. Contingencies are unforeseen cost increases to budgeted items. At the last scheduled General Meeting of the year, the Board-approved proposed budget will be presented to the CAP membership for approval.
7. If a budget for the new year has not been approved by January 1st, the Board is authorized to continue to expend funds at the rate approved for the previous year until a General Meeting can be called to approve the new budget.
8. During the year, the Board may authorize, by majority vote, unbudgeted expenditures from the year's receipts with a limit of \$800 for any single project from conception through completion.
9. After all the operating expenses for a year have been paid, any funds remaining from the year's receipts will be allocated to reserve funds by a majority vote of the Board.

ARTICLE VII ELECTIONS

1. Elections of Board members will occur at the last scheduled General Meeting of the year. Each year, five Board members will be elected (a President, Vice President and three Governors). If any vacancies exist on the Board, election of additional Board members to fill those vacancies will occur. A Board member may be elected for a maximum of three consecutive terms and may serve again after a break in service.
2. Any Full Member of the Association who is a year-round resident of the community will be eligible to hold office in the Association. An Associate Member cannot hold office in the Association.

3. The President will nominate and the Board will approve a Nominating Committee consisting of at least three members sixty (60) days before the scheduled election of Board members. The Nominating Committee will present the candidates' names to the Board at least fourteen days before the election. The Committee will ensure all nominations are eligible.
4. The President will introduce all slated nominations and call for nominations from the floor. Nominations from the floor must be introduced by the nominator.
5. Voting will be by written ballot with each household representing one vote. The Secretary is responsible for ensuring valid ballots and written vote totals, to include valid absentee and proxy votes.

ARTICLE VIII MEETINGS

1. The meetings will be conducted according to Robert's Rules of Order.
2. General Meeting notifications must be provided to each member a minimum of two weeks before the meeting. A written record of notifications will be kept on file for one year. An agenda will be published one week prior to the meeting date.
3. General Meetings will occur a minimum of three times per year or more frequently if needed. The President may call a Special General Meeting at any time. S/he must define the purpose of the meeting and limit discussion and voting to that topic. The membership may also call a Special General Meeting at any time. For a General Meeting called by the membership, there must be a petition calling for the meeting, signed by at least 30% of the Full Member households (each household can provide a maximum of one signature). The petition must include the purpose of the meeting.
4. At the General Meetings, persons wishing to address the meeting will raise their hands, be recognized by the President, and stand and identify themselves before speaking. The President may impose a time limit on each speaker if s/he deems appropriate. The limit cannot be less than three minutes.
5. All official business and voting decisions must occur at scheduled Board Meetings with a quorum of Board members present, an emergency Board meeting as described in Article IV-7, or at a General Meeting that must have a minimum of twenty (20) percent of CAP Full Member households present or represented by proxies. All voting will be by voice vote unless the President requests written ballots. If there are absentee ballots or proxies, the President will require written ballots.
6. Members may vote at General Meetings by assigning a proxy to represent them. A proxy form will be available to the members on the CAP website. Those CAP members unable to access the website may obtain a proxy form by contacting the President or Secretary by phone. If a member is unable to attend the General Meeting, s/he may name a specific Full Member to vote for her/him by executing the proxy. A completed proxy must be delivered to any Board member a minimum of one week prior to the General Meeting and will be considered when determining a

quorum is in attendance at the General Meeting. The proxy is valid for only one General Meeting; subsequent meetings require a new proxy. The proxy form allows the member to indicate their intended vote on any planned motion to take place during the meeting. The proxy MUST vote in accordance the member's intentions if possible. However, if the motion is altered in any way during the meeting, the intended vote is invalidated. The proxy still maintains the absent member's voting power, but may vote in any manner the proxy chooses. Proxy voting is not allowed at Board Meetings. As per Article VIII.5, members represented by proxy will count toward a quorum at a General Meeting.

7. Members may vote at General Meetings by completing an absentee ballot. An absentee ballot will be available to the members on the CAP website. Those CAP members unable to access the website may obtain an absentee ballot by contacting the President or Secretary by phone. If a member is unable to attend the General Meeting, a completed absentee ballot must be delivered to any Board member a minimum of one week prior to the General Meeting. The absentee ballot is valid for only one General Meeting. The absentee ballot allows the member to indicate their intended vote on any planned motion to take place during the meeting. However, if the motion is altered in any way during the meeting, the intended vote is invalidated and will not be counted. Absentee ballot voting is not allowed at Board Meetings. As per Article VIII.5, members voting by absentee ballot will NOT count toward quorum at a General Meeting.

ARTICLE IX COMMITTEES

1. There will be the following standing committees:
 - a. Membership: Responsible for developing annual membership/dues forms, developing and mailing reminder notices to non-paying members, maintaining and verifying membership lists and databases, and providing welcome and outreach to the community.
 - b. Community Property Maintenance: Responsible for annual spring clean-up, routinely checking all common areas, and notifying the Board of any discrepancies that need attention.
 - c. Social/Recreation: Responsible for parties, social events, and pavilion rentals.
 - d. Governmental Affairs: Responsible for maintaining liaison with Anne Arundel County offices such as planning and zoning, storm water management, etc., and acting as liaison to the Generals Highway Council of Civic Associations.
 - e. Communications: Responsible for serving as web master for the CAP website; maintaining web interfaces such as Google-drive and CAP e-mail; ensuring the CAP website is user-friendly and designed to the highest standards; working with the President to develop CAP newsletters (hard and softcopy); and maintaining the bulletin board at the Beach.
2. There will be the following recurring committees:

- a. Nomination: As per Article VII.3, the Nominating Committee consists of at least three members whose responsibility is to present Board election candidates' names to the Board at least fourteen (14) days before the election. The Committee will ensure all nominations are eligible.
 - b. By-Laws: As per Article X.3, the By-Laws Committee is responsible for reviewing the By-Laws and recommending updates to the Board.
3. Each standing and recurring committee chair will maintain a procedures manual, describing the job and the steps needed to accomplish it.
4. Special ad hoc committees may be established as necessary. Ad hoc committees will serve until the completion of their tasks.
5. The committee chair may recruit any CAP member to be part of the committee. Each standing or recurring committee must include one Board member.

ARTICLE X AMENDMENTS AND REPLACEMENT

1. The By-Laws of the Association may be changed or amended in accordance with the procedure specified in Article Eighth of the Association's Articles of Incorporation.
2. The Board will present proposed changes or amendments to the By-Laws to the community.
3. Every five years at a minimum, the Board will appoint a committee to review the By-Laws and recommend updates if necessary.

ARTICLE XI PRECEDENCE

1. Maryland law states that a corporation's By-Laws must be consistent with its Articles of Incorporation. Therefore, in case of conflict, the Articles of Incorporation take precedence over the By-Laws.

APPROVAL

This revision of the By-Laws of the Civic Association of Palisades, Inc., supersedes all previous revisions. The revision was passed by a vote of XX to XX at the General Meeting of the Association held on 21 November 2019, to take effect in the 22nd day of November, 2019.