

FAIR OAKS ON THE MAGOTHY COMMUNITY ASSOCIATION, INC.

Bylaws

(As Amended **Fall 2018**)

Article I - Name

The name of this association shall be Fair Oaks on the Magothy Community Association, Inc. and shall hereinafter be called the Association.

Article II - Goals

A. To secure concerted action in all matters pertaining to the protection, development and improvement of Fair Oaks On the Magothy. To promote the general welfare of the residents and property owners of said area, and to serve the best interests of Fair Oaks on the Magothy residents in all community matters.

B. To encourage and promote civil and social activities and enterprises in Fair Oaks on the Magothy. To cooperate with other similar organizations in matters pertaining to the common welfare of the residents and property owners of Fair Oaks on the Magothy and adjacent areas especially the Greater Severna Park and Magothy River areas.

C. To assist, promote, and take such action as necessary to secure enforcement of appropriate zoning regulations and property restrictions in and affecting Fair Oaks on the Magothy.

. To control, regulate, maintain, and improve the recreational and/or playground areas deeded to the association and/or designated on the recorded plat of Fair Oaks on the Magothy.

A. To acquire by purchase, gift, lease, devise or bequest, or in any other manner, and to take, receive, hold and employ any property, real and/or personal for purposes of the Association. To deed, mortgage, lease or otherwise dispose of any association property, real and/or personal. This power and authority is in furtherance of and not in limitation of powers conferred upon this Association by law.

D. To raise funds to meet the objectives of the Association.

E. It is not intended by the mention of any particular power or authority to limit or restrict any authority or power to which this Association may be legally entitled.

Article III - Board of Directors

A. The Association shall be governed by a Board of Directors. There shall be thirteen (13) directors, four (4) of whom shall serve as officers as enumerated in Article IV of these Bylaws and one (1) of whom shall be the immediate past president.

B. Qualifications and tenure of Board Members.

1. All directors shall be members of the Association.

2. Except for the immediate past president who serves automatically by virtue of prior office, directors shall be elected by a plurality vote of the Association as follows:

a. The four (4) officers shall be elected by a plurality vote of the Association to serve a term of one (1) year;

b. The eight (8) remaining directors shall be elected to serve a term of two (2) years. Four (4) shall be elected in even-numbered years and four (4) in odd-numbered years.

3. Board members may not serve for more than one consecutive term, except as specifically allowed below:

a. A board member who is not an officer may serve an additional consecutive term as an officer.

b. The vice president may serve an additional consecutive term as president immediately after serving as vice president.

c. The president may serve an additional consecutive term as immediate past president.

d. The secretary and treasurer may serve up to three consecutive terms in the same office.

4. Newly elected Directors shall officially assume office on January 1, following their election.

5. In the event that a vacancy occurs on the Board of Directors mid-term, a replacement Director shall be appointed by a majority vote of the remaining Directors, and such replacement Director shall serve for the remainder of the current term.

6. At least thirty (30) days prior to the regular Fall election meeting of the Association, the President shall appoint a Nominating Committee consisting of three (3) members, none of whom shall be candidates for the Board of Directors. The Nominating Committee shall submit a slate of candidates for the Director positions up for election that year. The Nominating Committee shall submit at least one (1) candidate for every position up for election. Nominations may also be made from the floor at the election. Consent of the nominees is required before nominations are accepted.

7. No two (2) members of the same Family Membership shall be permitted to serve as a Director at the same time.

C. Removal of Board Members

1. Any member of the Board may be removed by a majority vote of members of the Association present and voting at either a semi-annual or special meeting called by the Board in accordance with the Bylaws.

2. Action to remove any member of the Board must be initiated in writing addressed to the President of the Association. Such action shall state the grounds for removal and be signed by at least five (5) members of the Association. The member concerned shall be notified in writing immediately by the Board. He may submit his resignation to the Board, which resignation shall be accepted, or he may present any matters in his behalf to the Association at the semi-annual or special meeting at which this matter will be determined.

D. Responsibilities of Board

1. The Board shall manage all Association property.

2. The Board shall conduct all Association business.

3. The Board of Directors shall have the power and duty to promulgate, amend and enforce rules and regulations governing the maintenance and operation of the Association and the maintenance, operation and use of the recreational facilities and the common property of the Association. The Board of Directors shall also have the power to delegate authority to Committees it may create to propose rules and regulations and amendments to rules and regulations subject to the Board's final review, approval and adoption.

4. The Board shall supervise all committees.

5. Except as otherwise provided herein, the Board shall have power to do all other things necessary to the operation of the Association as authorized by the Articles of Incorporation, these Bylaws and applicable law.

6. The Board shall appoint a member of the Association, or such other person who is a resident of the State of Maryland to serve as resident agent; the person appointed shall consent in writing to the appointment and complete such paperwork as may be required by the Maryland State Department of Assessments and Taxation; and the appointment shall remain in effect until such time as the Board decides to appoint a new resident agent.

7. The Board shall accept, review and approve applications for new membership, based on the qualifications for membership established in the Articles of Incorporation, as amended, and these Bylaws.

E. Limitations of Authority

1. The Board shall not obligate the Association in any way for a period of more than one (1) year without the approval of a majority vote of the Association membership present and voting at regular meetings or any special meeting called for that specific purpose, after due and sufficient notification in accordance with Article VII.

2. The Board of Directors shall incur obligations and make expenditures on behalf of the Association in accordance with the approved budget for the Association. The Board may vote to incur obligations or make expenditures for unbudgeted items or increases to budgeted items only upon the following limitations:

a) no single non-emergent expenditure may exceed 1% of that budget year's approved total expense budget amount;

b) the aggregate of non-emergent expenditures approved during any budget year may not exceed 5% of that year's approved total expense budget amount;

c) in the event of an emergency, the Board may, upon following the procedures set forth in sub-paragraph f below, vote on expenditures up to and including 10% of that year's approved total expense budget amount to address the emergency; in no event shall the aggregate of non-budgeted expenditures and increased expenditures to budgeted items, emergent and non-emergent, exceed 10% of that year's approved total expense budget amount.

d) the Board shall attach an explanation to the Treasurers report, for each, unbudgeted expenditure, increase to a budgeted expenditure, or an emergency expenditure.

e) in the case of an emergency requiring the incurring of obligations or making of non-budgeted expenditures, if reasonable efforts are unable to gather a quorum of the board, at least two (2) officers and two (2) other board members may authorize an emergency expenditure, subject to sub-paragraph items c) through e) above.

f) in the event that budgeted expenditures are exceeded, or emergency expenditures or obligations are incurred, the Board shall make it's best effort to reduce non-critical budgeted expenditures during the remainder of the fiscal year in an effort to meet the approved budget.

g) in the event that the board believes that obligations or expenditures are required to be made, but they exceed the limitations set forth above, the Board shall present the matter for vote at a regularly scheduled or Special meeting of the Association.

F. Financial Responsibility

1. The Board shall designate the bank or banks in which the funds of the Association shall be deposited, and determine the manner in which checks, drafts and other instruments for the payment of funds of the Association shall be executed.

2. The Board of Directors shall prepare an annual fiscal year budget for proposal to the membership at the Spring Meeting (Article VII, A.2.). The proposed budget shall:

a. include anticipated costs for the operation of the Association, the maintenance and repairs to the recreational facilities and other common property of the Association, any anticipated governmental fees and taxes, property and financial management fees, consulting fees for legal and accounting services and architectural and engineering services, Association membership in trade and/or educational associations and other related expenses.

b. include a proposed contribution to a reserve fund for capital replacement reserves for the recreational facilities and the common property and facilities of the Association. The contributions toward such fund shall be determined based upon an estimate of the remaining useful life of the recreational facilities and common property and facilities of the Association and the anticipated replacement costs for the same. The Board shall establish a capital replacement reserve program and shall review such program and the funding of the same on a periodic basis.

3. The Board of Directors shall, at the expense of the Association, obtain fidelity bond coverage for all of the Directors and Officers, employees and any management agent, including principals of any company that may be engaged by the Association to handle property and financial matters for the Association.

4. The Board shall cause the books of the Association to be audited annually by a competent examiner selected by the Directors, and the report of the audit shall be available for inspection by any member of the Association, and shall be made a part of the annual report.

5. The Board shall propose any additions to the Capital reserve at the first available community meeting. The community will vote to approve or deny the additional items.

G. Board Meetings

1. The Board shall meet at least once every two months and at such other times, as they deem necessary.

2. Seven (7) members of the Board, two (2) of whom shall be officers, shall constitute a quorum.

3. In the event a question before the Board shall result in a tie vote, which cannot be resolved, the question shall then be submitted to the members of the Association for decision.

Article IV - Officers

- A. The Association officers shall include a President, Vice-President, Treasurer and Secretary.
- B. Duties of the President
 1. Preside at all meetings of the Board and of the Association.
 2. Sign contracts and documents relating to the affairs of the Association unless otherwise provided in these Bylaws.
 3. Appoint committees and committee chairmen as necessary.
 4. Be ex-officio member of all committees.
 5. Perform all other acts properly belonging to his office, including executive supervision of all activities of the Association and its employees.
- C. Duties of the Vice President

To act in the President's stead in his absence, and perform such other duties pertaining to his office as may be requested by the Board or its officers.
- D. Duties of the Treasurer
 1. The Treasurer shall, under the direction and supervision of the Board, be responsible for the immediate management and supervision of all financial operations of the Association, to include the collection, accounting for, and disbursement of all Association funds.
 2. The Treasurer shall deposit all funds in a banking institution and make all disbursements by check signed by the Treasurer, or as set forth in Article III (F)(1).
 3. The Treasurer shall retain all financial records and reports as permanent records of the Association.
 4. The Treasurer shall submit a report on the financial condition of the Association at each meeting of the Board and of the Association.
 5. The accounting method shall be the accrual method to provide a mechanism to budget, amortize and account for long term obligations beyond one year.
- E. Duties of the Secretary
 1. The Secretary shall give notification of Board meetings and written notification of Association meetings, attend to Association correspondence, and perform such other duties pertaining to this office as may be requested by the Board or its officers.
 2. It shall be the duty of the Secretary to keep written minutes of the Association and the Board meetings, accompanied by an accurate record of attendance.
 3. The Secretary shall be custodian of the corporate seal, which shall be used as directed by the officers of the Association. The Secretary shall be the custodian of all records, minutes, and other documents of the Association and Board except as otherwise herein provided.

Article V - Membership

- A. By a vote of the General Membership of the Fair Oaks on the Magothy Association on March 19, 1998, the following properties shall be considered eligible for Membership in the Association. Properties with Book references are recorded with the county of Anne Arundel, Maryland.
1. Plat Number 1716. Recorded in Book Number 32, Folio 41 entitled Fair Oaks on the Magothy, and dated March 15, 1963.
 2. Plat Number 1929. Recorded in Book Number 35, Page 4 entitled Fair Oaks on the Magothy- Section II, and dated October 7, 1966.
 3. No Plat recorded. Revision recorded as a "minor subdivision" in Book Number 75, Folio 10 as Residue of Fair Oaks and dated February 28, 1980. Name changed to Oak Landing, Lots 1-9, and street name changed to Oak Landing Court by court order, January 14, 1981.
 4. No Plat Number. Transaction recorded as a "minor subdivision" in Book Number 3744, Page 552 entitled Cattail Oaks, dated June 13, 1984.
 5. Plat Number 5265. Recorded in Book 101, Page 40 entitled Barborka and Resubdivision of lots 19 and 20 Fairoaks on the Magothy, dated Aril 18, 1986.
 6. Plat Number 5994. Recorded in Book 114, Page 20 entitled FAIROAKS LANDING (PLAT ONE OF ONE), dated November 15, 1988.
 7. Plat Number 6635. Recorded in Book Number 127, Page 11 entitled FAIROAKS LANDING (PLAT ONE OF ONE –REVISED), dated March 28, 1990.
 8. Any other properties that have direct ingress and egress from one of the three entrances to Fair Oaks on the Magothy, namely, (1) Arundel Beach Road and Oak Court, (2) Arundel Beach Road and Fairtree Drive, and (3) Arundel Beach Road and Fairoak Drive, as depicted on the map attached to the Restated Articles of Incorporation as Exhibit 1, provided that each of these properties that desire new membership do all of the following:
 - a. Submit, in writing a request for new membership to the Board of Directors,
 - b. Pay a one time new membership inclusion fee of \$10,000.00 and
 - c. Pay FOCA Initiation Fee, Special Assessment Fee (if applicable) and Annual Dues.
- B. There shall be two types of membership in the Association: Family and Associate Family.

C. The following shall be eligible for Family Membership provided their FOCA Initiation Fee and Special Assessment Fee (if Applicable) have been paid and their Annual Dues are current:

Any family owning and occupying a home within Fair Oaks on the Magothy, as described in Section A above;

D. The following shall be eligible for Associate Family Membership, provided their Annual Dues are current:

Any family occupying but not owning a home within Fair Oaks on the Magothy, as described in Section A above.

. Members in good standing in the Association shall be entitled to participate in Association-sponsored activities and obtain membership in the Fair Oaks Pool. Use of the Fair Oaks Pool requires a separate membership and a separate membership fee.

A. To be eligible for Association membership, a resident or property owner of a home within Fair Oaks on the Magothy, as described in subarticle V-A, shall have paid or is paying both the Initiation Fee and Special Assessment Fee (if applicable).

Article VI - Finances of the Association

A. Association dues payable shall be forwarded to the Treasurer within thirty days (30) from receipt of bill by members.

B. The one-year period for yearly dues shall be from 1 April to 31 March. Yearly dues shall be adjusted and pro-rated to the month in which residence begins or terminates. Prior to the 15th day of any calendar month, dues shall be charged for that full month. Subsequent to the 15th day of any calendar month dues shall not be charged for that month. Residents joining the Association at a date later than that of their establishing residency will be required to pay dues retroactively. Not more than one year's retroactive assessment shall be required.

C. Memberships whose annual dues are in arrears shall be notified in writing by the Treasurer. A thirty (30) day grace period from the date of notification shall be allowed. Failure to pay delinquent dues on expiration of the thirty (30) day grace period shall result in the loss of membership.

D. No changes to fees, dues and assessments approved as part of the budget process outlined in Article III, F. shall be imposed unless approved by a majority vote of the Association members present and voting after due notification of a meeting.

Article VII - Association Meetings

A. Semi-Annual Meetings

1. The semi-annual meetings of the Association shall be held for the transaction of that business indicated on the notice of the meeting or for the transaction of such other business as may be properly brought before it.

2. The Board shall set the dates of the semi-annual meetings. The Spring Meeting shall be no later than April 1. The Fall Meeting no later than October 15.

3. Notice of Association meetings shall be given in writing to the members at least fourteen (14) days prior thereto. The notice shall specify the time and place of the meeting. The notice for the Fall Meeting shall include the names of the candidates for the Board nominated by the Nominating Committee.

B. Special Meetings

1. Special meetings may be held at the call of the Board or upon a written request signed by 25% of the voting members of the Association, provided the purpose of the meeting is stated in the request.
2. Special meetings upon written request of the membership shall be held within thirty (30) days after receipt of the written request by the Board.
3. Notice of special meetings shall be given to members at least fourteen (14) days in advance; the notice shall state the purpose of the meeting and shall specify the time and place of the meeting.
4. No business may be transacted at a special meeting except that for which the meeting is called.

C. Voting

1. Voting may be by voice vote, roll-call, or written ballot as determined by the presiding officer, except that ten (10) voting members present shall have the right to demand voting by roll-call or written ballot.
2. Unless otherwise provided herein or in the Articles of Incorporation, as amended, a majority of the quorum shall be sufficient to approve any motions of the Association.
3. Each Family Membership in good standing shall be entitled to two (2) votes. Only adult members present may vote. In the event only one voting member of a family is present he may cast both family votes; however, in the event that two voting members are present each shall only be entitled to one vote.
4. Only Family Memberships may vote; Associate Family Memberships are not entitled to vote.

D. Quorum

A quorum of Association members shall consist of one fourth of the Family Memberships as defined in Article V (A) and is not related to the number of votes allowed per Family Membership.

Article VIII - Parliamentary Authority

The rules contained in the most current edition of Robert's Rules of Order shall govern this Association in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Association may adopt.

Article IX - Amendments

A. These Bylaws may be amended by a two thirds (2/3) vote of the eligible voters present and voting at any semi-annual meeting, or at a special meeting held for this purpose.

. Any proposed amendment of these Bylaws must be presented in writing to the members of the Association at least fourteen (14) days prior to any meeting at which it will be presented.

[End of Bylaws]