



**KNOLLWOOD-DONNYBROOK IMPROVEMENT
ASSOCIATION
PROPOSED BY-LAWS (APPROVED 9/16/06).**

Article I. NAME and MISSION

Section 1. The name of this Association is the Knollwood-Donnybrook Improvement Association, thereafter referred to in these By-Laws as “the Association”.

Section 2. The Association operates as a non-profit, non-partisan and non-sectarian community association of the residential property owners and permanent residents in the Knollwood-Donnybrook community, located in Towson, Baltimore County, Maryland.

Section 3. The *mission* of the Association is to continuously improve the quality of life for its members by:

- Improving the welfare and public safety of Knollwood-Donnybrook residents;
- Fostering social interactions among Knollwood-Donnybrook residents as a catalyst to achieving a stronger community;
- Maintaining the aesthetic appearance of the Knollwood-Donnybrook community as a highly desirable neighborhood in which to live and to own residential property; and
- Improving communication and cooperation between the Knollwood-Donnybrook community and other associations or organizations, including Baltimore County, Maryland State and federal government agencies and officials.

Article II. BY-LAWS

Section 1. The purpose of these By-Laws is to:

- Aid in the implementation of the Association’s mission;
- Provide a democratic governance structure for the Association;
- Provide mechanisms to enhance member participation in the Association;
- Define the rights and responsibilities of the members, Officers and Directors of the Association;
- Ensure good stewardship for the Association’s finances and assets; and
- Provide a mechanism to dissolve the Association.

Article III. MEMBERSHIP ELIGIBILITY

Section 1. The payment of annual membership dues, assessed per household, constitutes membership in the Association for that household’s property owners or permanent residents. Any household within the physical boundaries of the Association is eligible for membership. The Association does not discriminate against any residential property owner or permanent resident in the Knollwood-Donnybrook community on the basis of applicable federal, state or county laws.

Section 2. The Board of Directors proposes any changes to the physical boundaries of the Association. A majority vote of the member households at an Annual Meeting or a special meeting is required to approve any proposed changes to the physical boundaries of the Association. A map outlining the physical boundaries of the Association will be distributed to the members each year.

Article IV. MEMBERSHIP DUES, FEES and ASSESSMENTS

Section 1. The annual membership dues of the Association, assessed per household rather than per member, are a minimum of either:

(a) Fifteen dollars for any households in which any permanent resident is sixty-five years and older at the time of the payment of the annual membership dues; or (b) Twenty dollars for any households in which all permanent residents are under the age of sixty-five years at the time of the payment of the annual membership dues.

Section 2. Annual membership dues above these minimum levels are proposed by the majority of the Board of Directors and approved by the majority of the members present at an Annual Meeting or a special meeting. Any fees or financial assessment of member households above the annual membership dues that are proposed by the Board of Directors requires the approval of the majority of the members present at an Annual Meeting or a special meeting.

Section 3. Members may not vote at any meeting, either in person or by proxy, unless their current Association dues, fees and assessments are paid in full.

Article V. MEETINGS

Section 1. The Association holds three types of meetings, all of which are open to residents of Knollwood-Donnybrook: an Annual Meeting, Board of Directors meetings and special meetings.

Section 2. An *Annual Meeting* must be held each year in the two months prior to the commencement of the Association's fiscal year on May 1st. A quorum of 5% of the member households of the Association is required to conduct official business at an Annual Meeting. The members will elect the Officers and Directors and approve the proposed annual operating budget at an Annual Meeting.

Section 3. *Board of Directors meetings* must be held at least nine times per year, with at least twenty-five days separating each meeting. A quorum of 50% of the members of the Board of Directors is required to conduct official business at a Board of Directors meeting.

Section 4. *Special meetings* may be called by either the President, by the majority of the Board of Directors or by a written petition of 5% of the member households delivered to the President or any Officer. A quorum of 10% of the member households of the Association is required to conduct official business at a special meeting. An exception to this requirement will be that a quorum of 30% of the member households in the Association will be required at a special meeting in which the dissolution of the Association and the disposal of its assets are voted upon.

Section 5. At least thirty days prior to an Annual Meeting, or at least fifteen days prior to a special meeting, the date, time, location and agenda of the meeting will be distributed to the membership by the Board of Directors.

Section 6. **Proxy voting** by member households at an Annual Meeting will be allowed. Proxies, however, will not be included to meet the 5% quorum requirement for an Annual Meeting. Proxy voting is not allowed for either Board of Directors meetings or special meetings.

Section 7. **Parliamentary authority** shall govern all meetings of the Association.

Article VI. NOMINATIONS and ELECTIONS

Section 1. The **Nominating Committee** will submit a slate of nominees for all Board positions to the membership at least thirty days prior to the date of an Annual Meeting.

Section 2. Any member present at an Annual Meeting may be nominated for any Officer or Board of Directors position upon the nomination of two members present at an Annual Meeting.

Section 3. The **election of Officers and Directors** will be either by a voice vote or by ballot, at the discretion of the majority of the member households present. Nominees must receive a majority of the votes of those member households present, either in person or by proxy, to be elected.

Section 4. The Officers' term is for one year, commencing at the beginning of the Association's fiscal year. The At-Large Directors' term is for two years, commencing at the beginning of the Association's fiscal year. In the event that a vacancy occurs on the Board of Directors, the Directors will fill that vacancy until a new Officer or Director will be elected at the next Annual Meeting.

Article VII. BOARD OF DIRECTORS and OFFICERS

Section 1. The **governance** of the Association is vested in the Board of Directors.

Section 2. The **Board of Directors** will have the full power and authority to transact any business of the Association at any time, other than during an Annual Meeting or a special meeting, provided that the exercise of such power and authority complies with these By-Laws.

Section 3. The Board of Directors consists of five Officers, the Immediate Past President and ten At-Large Directors. The five **Officers** are the President, the Vice-President, the Treasurer, the Financial Secretary and the Recording Secretary.

Section 4. The **President** prepares the agenda for all meetings and presides at all meetings. The President appoints all committee chairs and committee members unless such membership is specified in these By-Laws. The Board of Directors confirms all committee appointments by a majority vote of those Directors present at any meeting. The President is an ex-officio member of all standing and special committees.

Section 5. The **Vice President** presides at any meeting in the absence of the President. In the absence of both the President and the Vice-President at a meeting, the Board of Directors will appoint one Director to be the presiding officer for that meeting.

Section 6. The **Treasurer** receives all revenues from the Financial Secretary; makes all deposits into the Association's accounts; pays all expenditures by either check or electronic transfer of Association funds; prepares and files all applicable income tax returns and documents; and is

the custodian of the Association's financial assets. The Treasurer chairs the Budget Committee.

- Section 7. The Treasurer submits an operating budget update to the Board of Directors at least once every three months. The Treasurer submits a final operating budget report covering the current fiscal year and a proposed operating budget for the next fiscal year to the membership at an Annual Meeting.
- Section 8. The **Financial Secretary** collects all revenues, including members' dues, and transfers all revenues to the Treasurer. The Financial Secretary maintains an accurate record of the member households and a count of the member households present at Annual Meetings and special meetings. The Financial Secretary chairs the Financial Audit Committee and is a member of the Budget Committee.
- Section 9. The **Recording Secretary** records the minutes of all meetings; maintains a count of the Board members present at all Board meetings; and maintains an archive of the Association's papers, including a file of all financial disclosure statements filed by Directors.
- Section 10. Only one member from any household in the Association may serve on the Board of Directors at one time.
- Section 11. Officers and Directors may be removed from office by a two-thirds majority of the member households present at an Annual Meeting or a special meeting. If an Officer or Director fails to attend three consecutive meetings of the Board of Directors without a reasonable excuse for his/her absence, then a two-thirds majority of the Board of Directors present at a meeting may declare that his/her position is vacant.
- Section 12. A two-thirds majority of the Board of Directors may declare an Officer's or Director's position vacant if the incumbent in that position has failed to fulfill their responsibilities as outlined in the By-Laws or been arrested for, or convicted of, a felony during the previous twelve months.

Article VIII. COMMITTEES

- Section 1. The Association has two types of committees: **standing** and **special**.
- Section 2. The **standing committees** are permanent committees designated in the By-Laws to carry out the work of the Association. The four standing committees are: **Budget, Financial Audit, Investment and Nominating**.
- Section 3. The **Budget Committee** prepares an annual operating budget for review by the Board of Directors and approval by the membership at an Annual Meeting. The Budget Committee is chaired by the Treasurer and includes the Financial Secretary and at least one other member of the Association.
- Section 4. The **Financial Audit Committee** audits the Treasurer's accounts at the end of each fiscal year and provides a written report at the Annual Meeting. The Financial Audit Committee is chaired by the Financial Secretary and includes at least two other members of the Association.

- Section 5. The ***Investment Committee*** monitors the investment of the Association's long-term financial assets and recommends investment opportunities to the Board of Directors.
- Section 6. The ***Nominating Committee*** submits a slate of nominees for all positions to the membership at least thirty days prior to an Annual Meeting.
- Section 7. At least one member of the Board of Directors will serve as a member of each standing committee. Only one member from any household in the Association may serve on the same standing committee at one time, unless two-thirds of the Directors approve the addition of one additional member from that same household.
- Section 8. The chair of a standing committee will have the right to present a committee report at a Board meeting or an Annual Meeting.
- Section 9. ***Special committees*** are created by the President, with the approval of the Board of Directors, to carry out a specific task for the Association such as social events or median strip maintenance.

Article IX. DIRECTORS' ETHICS and DISCLOSURE

- Section 1. All Directors will demonstrate ***ethical behavior and sound business practices*** in their work as Directors.
- Section 2. If the Association contracts to purchase or lease goods, services or property from a Director, or one of their immediate household members, immediate family members or business associates, in excess of one-hundred dollars (\$100.) in any fiscal year, then the Director must disclose that fact in writing to the Board of Directors.
- Section 2. If a Director receives a gift or gratuity in excess of one-hundred dollars (\$100.) from any person, entity or business that does or seeks to do business with the Association in excess of one-hundred dollars (\$100.) in any fiscal year, then the director must disclose that fact in writing to the Board of Directors.
- Section 3. If a Director receives any preferential treatment by the Association whose market value exceeds one-hundred dollars (\$100.), then the director must disclose that fact in writing to the Board of Directors.
- Section 4. If a Director knows of a conflict of financial interest between the Association and either himself/herself, their immediate household members, immediate family members or business associates, then the director must disclose that fact in writing to the Board of Directors.
- Section 5. Failure to comply with these rules in a timely manner may result in removal of the noncompliant Director from the Board of Directors. The Recording Secretary maintains a file of all financial disclosure statements filed by Directors.

Article X. BUDGET and FINANCES

- Section 1. The Treasurer, in consultation with the Budget Committee, prepares an ***annual operating budget*** for the Board of Directors to review and approve at a Board meeting held at least thirty days prior to an Annual Meeting. The members present at an Annual Meeting will give final approval to the annual operating budget.

- Section 2. The *fiscal year* of the Association will commence on May 1st. and end on April 30th. of the following calendar year.
- Section 3. The Board of Directors will not spend in excess of 10% of the total annual operating budget without the approval of a majority of the member households present at an Annual Meeting or a special meeting.
- Section 4. Financial accounts owned by the Association will have the names and signatures of at least two Officers on each account. Any withdrawal from a financial account in excess of 25% of the annual operating budget will require the approval of the majority of the Board of Directors.
- Section 5. The Board of Directors will make all decisions regarding the investment of the Association's financial assets.

Article XI. AMENDMENTS TO THE BY-LAWS

- Section 1. Amendments to the By-Laws may be proposed by either the Board of Directors or by a written petition of at least 5% of the member households.
- Section 2. Any proposed amendments to the By-Laws will be distributed to the membership at least thirty days prior to an Annual Meeting or fifteen days prior to a special meeting. A two-thirds vote of the member households present at that meeting is required for approval of any amendments to the By-Laws.

Article XII. DISSOLUTION

- Section 1. The Association was created to be a permanent, self-sustaining community association.
- Section 2. A written petition to dissolve the Association must be signed by at least 20% of the member households and delivered to the President or any Officer. Within thirty days of the delivery of a petition of dissolution, the Board of Directors will vote on the petition. A two-thirds vote in favor of the petition of dissolution by the Directors will be required for the petition to be presented to the membership for a final vote.
- Section 3. Within thirty days of the Director's approval of the petition of dissolution, a special meeting will be held to vote on the dissolution of the Association and the disposal of its assets. A two-thirds majority of the member household present at the special meeting will be required to dissolve the Association and to approve the disposal of its assets. A quorum of 30% of the member households in the Association will be required at a special meeting in which the dissolution of the Association and the disposal of its assets are voted upon.
- Section 4. If the number of member households in the Association falls below thirty households for a continuous period of at least ninety days, then the Association may be dissolved by a two-thirds majority of the member households at a special meeting without the prior approval of the Board of Directors.
- Section 5. In the event of dissolution, the Association's financial assets will be donated to a nonprofit organization to be determined by the majority of the member households present at a special meeting voting on dissolution.

