



CHESAPEAKE ISLE CIVIC ASSOCIATION
P. O. BOX 150 NORTH EAST, MD. 21901

April 2, 2022

Dear CICA Members:

The purpose of the attached Bylaws is to define the structure and operating procedures for the Chesapeake Isle Civic Association and its Board of Directors. This document defines property owner responsibilities, membership rights, and the governing organizational structure. (A chart that illustrates this organizational structure of Chesapeake Isle is also included for your reference.)

Background:

In 1972 the original Articles of Incorporation established the non-profit entity: Chesapeake Isle Civic Association, Inc. (referred to as CICA). As stated in the Articles of Incorporation, the purpose of the CICA is to “promote, protect, and preserve the common interests of residents, and of property owners, in the general area of Cecil County, known as Chesapeake Isle and the areas adjacent.” The Articles of Incorporation define the powers of CICA (the corporation) to conduct business, the number of Board members, and enables CICA (the corporation) to amend its charter if, and when necessary.

The Restrictive Covenants were set forth in the contract of Sale between North East Financial Corporation and the J. P. Cabot Equity Corporation dated November 20, 1972, and recorded among the Land Records of Cecil County in Liber WAS No. 300, folio 582. They were published in J. P. Cabot’s HUD offering statement, file No. 1630, dated March 2, 1973.

The Chesapeake Isle Civic Association (CICA) is the owner and the party responsible for maintenance of CICA-owned property which includes the roads and common areas in the subdivision. This ownership also encompasses the financial responsibility of the organization and accountability to all property owners. In 2005, the CICA court case ruling stated that the CICA had the right to levy an annual community maintenance fee to all property owners, but it could not force property owners to become members of a historically optional Homeowners’ Association (HOA). Therefore, the CICA Bylaws were amended and approved on November 20, 2005, to reflect this change in the structure of the CICA by creating two components of governance: (1) Community Maintenance (mandatory and all property owners included) and (2) Voluntary Membership (not mandatory and members join by voluntarily paying dues). (The attached 2022 version includes updates that were approved by the Board on November 16, 2021, reviewed by legal counsel, and approved by the CICA membership on April 2, 2022.)

It is our hope this information helps support understanding of Chesapeake Isle, the CICA, and the Bylaws. Please contact any CICA Board member if you have questions.

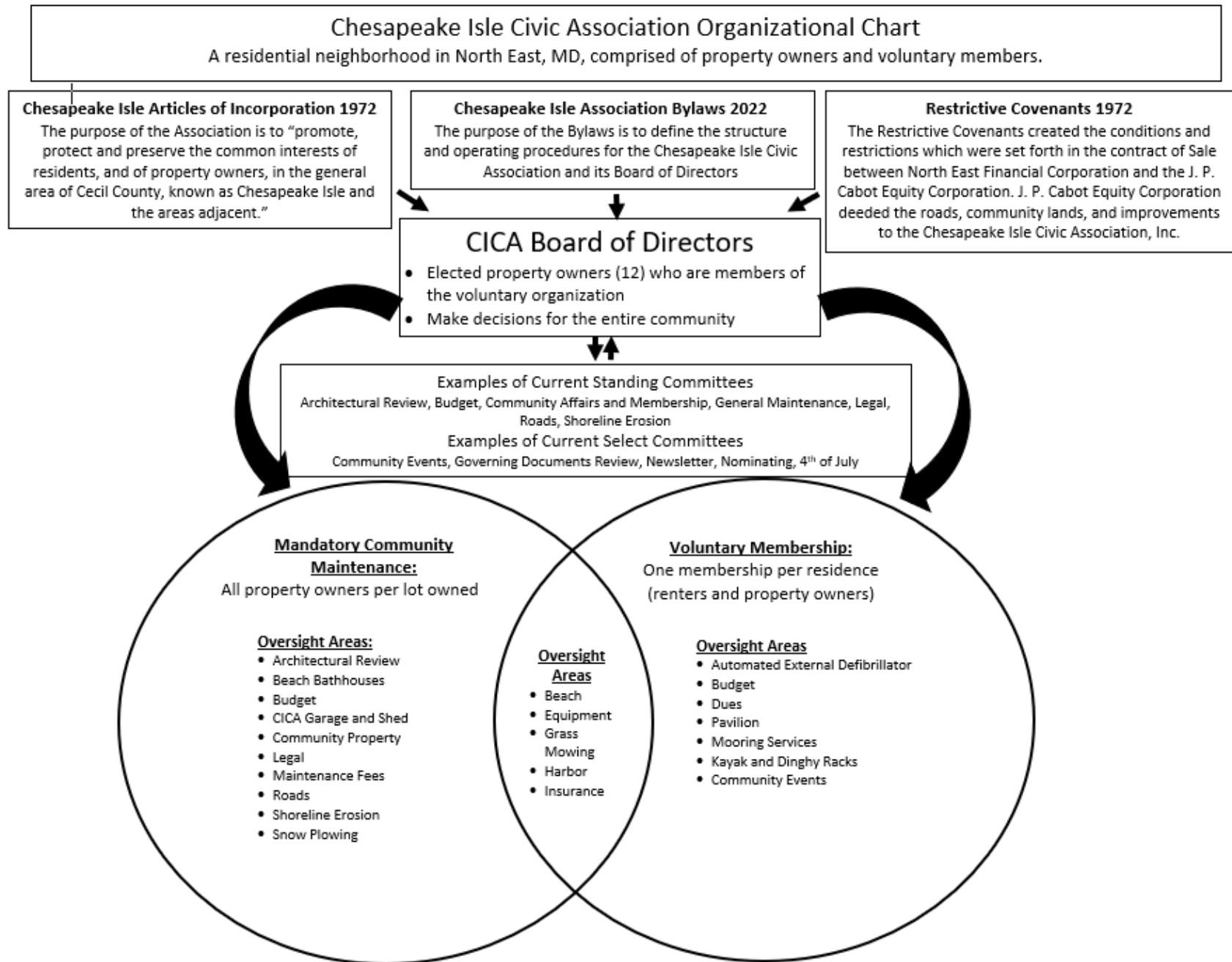
Sincerely,
CICA Board of Directors

Helpful definitions regarding CICA Governance:

Community Maintenance and Property Owner Obligations (mandatory): All property owners in Chesapeake Isle are required to pay all approved Community Maintenance fees and any special assessments. (See Article 1.)

Voluntary CICA Membership (not mandatory): Voluntary membership is the heart of Chesapeake Isle and makes it a unique community that is grounded in volunteerism, neighbors helping neighbors, and property owners who enjoy the natural beauty of the Isle and each other’s company. Voluntary membership is available only to persons, partnerships, or corporations owning property in the Chesapeake Isle subdivision and legally contracted renters of a residential property located in Chesapeake Isle. (See Article 2.)

Organizational Chart



File name: CICA Bylaws 2022
CICA created: November 20, 1972
Prior Bylaws revised and approved: November 20, 2005
Revision date: Draft revised 2020-2021
Revised by: GDRC, Work Groups, Community Members, Board of Directors
Approved by Board of Directors: November 19, 2021
Approved by CICA Members: April 2, 2022

Chesapeake Isle Civic Association Bylaws



TABLE OF CONTENTS for CICA BYLAWS

Article 1: Community Maintenance and Property Owner Obligations (MANDATORY)

- 1.1 Community Maintenance
- 1.2 Rights and Obligations of Property Owners
- 1.3 Annual Community Maintenance Fees
- 1.4 Non-payment of Annual Maintenance Fees or Assessments
- 1.5 Termination of Community Maintenance Fees
- 1.6 Capital Improvements and Special Assessments
- 1.7 Community Maintenance and Capital Improvements Budget Process
- 1.8 Annual Meeting of Property Owners
- 1.9 Basis in Law (Resolution)

Article 2: Membership in Association (VOLUNTARY)

- 2.1 CICA Membership
- 2.2 Rights and Obligations of Members
- 2.3 Membership Dues
- 2.4 Termination of Membership
- 2.5 Suspension of Membership
- 2.6 Capital Improvements
- 2.7 Membership Budget Process
- 2.8 Annual Meeting of Members

Article 3: CICA Meetings

- 3.1 CICA Meetings
- 3.2 Voting Rights
- 3.3 Conduct of Meetings

Article 4: Board of Directors

- 4.1 Number and Term
- 4.2 Procedure for Nomination
- 4.3 Election of Board Members
- 4.4 Powers
- 4.5 Budget Management
- 4.6 Board of Directors Meetings

Article 5: Officers

- 5.1 Election of Officers
- 5.2 President
- 5.3 Vice President
- 5.4 Secretary
- 5.5 Treasurer

Article 6: CICA Committees

- 6.1 Standing Committees
- 6.2 Select Committees

Chesapeake Isle Civic Association (CICA) BYLAWS

ARTICLE I: Community Maintenance and Property Owner Obligations (Mandatory)

Section 1.1: Community Maintenance

The Chesapeake Isle Civic Association, Inc. (referred to as CICA) Community Maintenance includes all property owners. On behalf of property owners, the CICA maintains all CICA-owned property. Such activities include but are not limited to grass mowing; repair and maintenance of the community spaces such as the beach, Jacob's Nose, and the harbor; and repair and maintenance of the roads and parking areas, the boat ramp, piers, swimming platforms, playground equipment, picnic tables, grills, bathhouse, and community equipment.

Section 1.2: Rights and Obligations of Property Owners

Property owners and their immediate families shall be entitled to the use of the harbor, picnic areas and grills, bathhouse, playground, basketball and volleyball courts, beach, and boat ramp. Use of the CICA-owned properties are subject to all rules and regulations adopted by the Board. The privilege to use CICA-owned facilities may be extended by the Board, to the guests of the property owners and legally contracted renters, subject to such regulations as it may set, and subject to withdrawal at any time.

In order to remain in good standing, each property owner shall pay the annual community maintenance fee proposed by the Board and approved by property owners and any other amounts due; comply with these Bylaws as applicable and all Rules and Regulations of CICA; be responsible for the observance of the Bylaws as applicable and the Rules and Regulations by family and guests [legally contracted renters will be treated as the guest(s) of the property owner(s)]; and conform to the Restrictive Covenants established when the transfer of CICA-owned property occurred and made CICA the owner of said properties. Annually, CICA will publish a list of property owners in good standing and property owners in arrears.

Section 1.3: Annual Community Maintenance Fees

(A) The property owner of each lot is subject to an annual Community Maintenance fee, as provided by Maryland state law and outlined in these Bylaws. The Board shall prorate the costs of maintaining roads and other CICA-owned property and areas to each lot owner. There are currently 322 lots in Chesapeake Isle.

(B) The CICA shall invoice each property owner of a taxable plot of land for his/her pro rata share of the annual Community Maintenance fee and any special assessments related to capital improvements associated with roads and other common areas and collect the fees and apply them to the costs of maintenance, repair, and improvements of the CICA-owned roads and other CICA-owned property. The CICA shall maintain separate ledgers for operating funds, capital improvements, and/or special assessments for the CICA Community Maintenance accounts.

Section 1.4: Non-Payment of Annual Community Maintenance Fees or Special Assessments

In the event of non-payment of the **annual community maintenance fee** after 15 days from the date the amount is due, interest will begin accruing at the rate of 1.5 percent (1.5%) per month (18 percent [18%] per annum).

To remain in good standing, each property owner shall pay any **special assessment** in full within forty-five (45) days of the due date of the invoice or arrange for installment payments if this option is provided. In the event of non-payment of any special assessment after 15 days from the date the amount is due, interest will begin accruing at the applicable rate per annum.

In addition, CICA can take any legal action to recover all amounts due, including any costs incurred by CICA to collect the delinquent fee and/or special assessment. As a last resort, the Board will instruct the Chair of the Legal Committee to seek a judgment in court that will create a lien on the property. The lien will have to be satisfied before the property can be transferred.

Section 1.5: Termination of Community Maintenance Fees

Community Maintenance fees shall automatically terminate upon transfer of ownership of property in Chesapeake Isle and are nonrefundable. Each property owner shall promptly notify CICA of any change in property ownership.

Section 1.6: Capital Improvements and Special Assessments

(A) A capital improvement shall be considered any expenditure for a long-term addition, major repair, or betterment of the community that is funded by general operating revenue and/or reserve funds in the Community Maintenance Budget. Property owners who vote on the proposed budget at the Annual Meeting are voting on all expenditures, including proposed capital improvements. The capital improvements will be highlighted in the annual operating budget.

The CICA Budget Committee shall evaluate the necessity of the expenditure, the reasonableness of the amount of the expenditure, and the nature of the expenditure before recommending a capital improvement as part of the budget. Once the Community Maintenance and Capital Improvements Budget has been approved, CICA will invoice all property owners within the five platted sections of Chesapeake Isle/Rolling Hills subdivision for their pro rata share, collect the community maintenance fees, and apply them to the costs of the capital improvements. CICA shall account separately for capital improvement funds.

(B) Special Assessments shall be considered for any major expenditure for a long-term addition, major repair, or betterment of the community that is unable to be funded by the general operating revenue, and/or reserve funds and requires additional funding by a separate appropriation. The CICA Budget Committee shall evaluate the necessity of the expenditure, the reasonableness of the amount of the expenditure, and the nature of the expenditure before recommending any special assessment. Proposed special assessments shall be submitted first to the Board for consideration and then to all property owners for approval. Once a special assessment has been approved, CICA will invoice all property owners within the five platted sections of Chesapeake Isle/Rolling Hills subdivision for their pro rata share, collect the special assessment payments, and apply them to the costs of the project. CICA shall account separately for these assessed funds.

Section 1.7: Community Maintenance and Capital Improvements Budget Process

A CICA Budget Committee shall be created by the President of the CICA. The number of committee members representing lot-owning CICA members and lot-owning non-CICA members shall be determined in the same ratio (rounded to the nearest number) as the actual number of CICA members and non-CICA members at the end of the preceding calendar year. The Committee will have a total of six (6) individuals plus the CICA President. Regardless of ratio, the non-CICA members shall be entitled to a minimum of one (1) and a maximum of three (3) members on the committee. The President will appoint the number of CICA members determined in accordance with the preceding step and is not responsible for appointing non-CICA members to the CICA Budget Committee.

For non-CICA members to participate in the Budget process, they shall conduct a complete and fair election among non-CICA members to elect representatives. In the event such an election is not conducted prior to the appointment of committee members, the non-CICA members forgo representation on the Budget Committee for that year. The President will set the dates/times of the meetings, call all meetings to order, and chair all meetings. The President may deliberate and participate in discussions but will not have a vote unless there is a tie among the members of the committee.

This CICA Budget Committee shall prepare an annual budget for Community Maintenance and Capital Improvements by a date determined by the CICA Board for consideration. This proposed budget will be approved by the Board of Directors and then shall be distributed to all property owners 30 days prior to the CICA Annual Meeting of property owners.

Section 1.8: Annual Meeting of Property Owners

The CICA Board shall approve the proposed Community Maintenance and Capital Improvements Budget at a scheduled regular Board meeting then present this proposed budget to property owners in attendance at the Annual Meeting for their consideration and vote. All property owners in attendance at this meeting will have the right to vote (one vote per lot owned). The President shall appoint three property owners to count the vote.

In the event the proposed budget is not approved by the voting property owners in attendance, the Board will meet and distribute a revised budget to all property owners within 60 days of the Annual Meeting for their consideration and vote.

If the Annual Meeting is postponed or altered due to unforeseen circumstances, the Board may convene a virtual meeting and accept electronic votes on any matters being presented. Property owners shall be notified of this meeting via email 10 days in advance of said meeting. (See Article 3 for voting details.)

Section 1.9: Basis in Law (Resolution)

WHEREAS, the Chesapeake Isle Civic Association, Inc. (ASSOCIATION) is a non-stock Maryland corporation formed in 1972 by members of the Chesapeake Isle/Rolling Hills subdivision (SUBDIVISION) in the Fifth Election District of Cecil County, Maryland; and

WHEREAS, there are currently Three Hundred Thirty-Two (332) * sub-divided lots in the Five (5) platted sections of the Chesapeake Isle/Rolling Hills subdivision; and

WHEREAS, the recorded subdivision plats and related documents in the chain of title of the Chesapeake Isle/Rolling Hills subdivision do not explicitly require membership by the lot owners in the ASSOCIATION; and

WHEREAS, on April 3, 1979, Chesapeake Isle, Inc., the Chesapeake Isle/Rolling Hills developer, assigned first party rights and obligations to enforce the restrictive covenants (Liber NDS 33, folio 457), and on February 14, 1979, conveyed all of the roads and open spaces in the subdivision to the ASSOCIATION by deed recorded among the land records of Cecil County in Liber N.D.S. 33, folio 457 to the ASSOCIATION. On January 30, 1984, an Operation and Maintenance Agreement with the U. S. Dept. of Agriculture, Cecil County Commissioners, and Cecil Soil Conservation District concerning Critical Area Treatment including placement of rock riprap and vegetative treatment was made with the ASSOCIATION. On February 29, 2000, the ASSOCIATION executed a Road Maintenance Agreement recorded among the land records of Cecil County in Liber W.L.B. 0878, folio 454, wherein the Board of County Commissioner of Cecil County acknowledged the ASSOCIATION's agreement to make all repairs and maintenance to the roads in the Chesapeake Isle/Rolling Hills subdivision; and

WHEREAS, the Circuit Court of Cecil County ruled (case number 04-201) that the Chesapeake Isle Civic Association, Inc., which is the owner of the roads and other common areas located in the Chesapeake Isle/Rolling Hills subdivision, has the legal authority and right to levy and collect a pro-rated portion of the costs of maintenance of the roads and other common areas located in Chesapeake Isle/ Rolling Hills subdivision from each of the Three Hundred Thirty Two (332) lot owners*, and

WHEREAS, there are approximately three (3.1) miles**[sic] **Note: inaccurate data** of roads and approximately thirty-three (33.6) acres of other common areas in the SUBDIVISION which require annual maintenance and periodic capital repairs. Since the ASSOCIATION holds title to the roads and common areas in the SUBDIVISION, it will continue to bear responsibility for the repair and maintenance of the roads and common areas and create and enforce general rules governing their use.

Since membership in the ASSOCIATION is voluntary and not all lot owners belong to the ASSOCIATION, this procedure will assure that all lot owners in the SUBDIVISION participate in the annual road and common area budget process as outlined above.

*September 2021 - there are 322 lot owners.

**September 2021 - there are approximately 5 miles of paved roads.

ARTICLE 2: CICA Members (Voluntary)

Section 2.1: CICA Membership

CICA Membership (referred to as Members or Membership) shall be voluntary and available only to persons, partnerships, or corporations owning property in the Chesapeake Isle subdivision and legally contracted renters of a residential property located in Chesapeake Isle.

Section 2.2: Rights and Obligations of Members

Membership entitles members in good standing to all rights and privileges of membership. Each lot owner (or owners) is entitled to one family membership. In the case of multi-lot ownership, the owner shall be eligible for only one membership regardless of the number of lots owned.

Members and their immediate families shall be entitled to attend CICA-sponsored social events and use member-only resources (such as the mooring services, pavilion rentals, and dinghy and kayak racks) subject to all rules and regulations adopted by the Board. The privilege to use community resources may be extended by the Board to the guests of the members, subject to such regulations as it may set, and subject to withdrawal at any time. Any member in good standing also has the right to be nominated and elected to serve on the Board of Directors.

Legally contracted renters in Chesapeake Isle may join the CICA voluntary membership as a non-voting social member. As a non-voting social member of CICA voluntary membership, the family shall be entitled to attend CICA-sponsored social events and use the member-only resources (such as the mooring services, pavilion rentals, and the dinghy and kayak racks) subject to all rules and regulations adopted by the Board.

Section 2.3: Membership Dues

The annual voluntary membership dues are established by the Board and voted on at the Annual Meeting. Future year membership dues are subject to change by action of the Board.

Membership dues are payable within 45 days following receipt of an annual invoice, after which a member will lose his/her rights of membership until dues are paid.

Membership does not transfer to a new owner when a property is sold. New property owners or legally contracted renters are eligible to become members after settlement or residency in Chesapeake Isle, respectively.

No property owner can be a member unless all current annual community maintenance fees and special assessments are paid in full.

Section 2.4: Termination of Membership

Membership shall automatically terminate upon transfer of ownership of property in Chesapeake Isle and membership dues are not refundable. Each property owner shall promptly notify the CICA of any change in property ownership. Membership shall also be terminated for nonpayment of annual dues as described in Article 2.3. Membership will also be terminated upon the end of the lease agreement for individuals/families who rent in Chesapeake Isle.

Section 2.5: Suspension of Membership

The Board may find a member in noncompliance of the Rules and Regulations for violating one or more rules of the CICA. In such case(s), the member will be notified in writing of the Board's decision to suspend the member's privileges. The member shall have the right to appear at the next scheduled regular Board meeting to explain his/her position. The Board shall vote, by a simple majority, on whether to sustain the suspension for a period of six (6) months. In such instances, the member shall lose all CICA membership voting privileges, members' rights, and access to CICA functions for that period. Membership fee is not refundable.

Section 2.6: Capital Improvements

A capital improvement shall be considered any expenditure for a long-term addition, major repair, or betterment of the community that is funded by general operating revenue and/or reserve funds in the

Membership Budget. Members who vote on the proposed budget at the Annual Meeting are voting on all expenditures, including proposed capital improvements.

The CICA Budget Committee shall evaluate the necessity of the expenditure, the reasonableness of the amount of the expenditure, and the nature of the expenditure before recommending a capital improvement as part of the budget. Once the Membership Budget has been approved, CICA will invoice all members for the membership dues and apply them to the costs of approved expenditures. CICA shall account separately for any capital improvement funds.

Section 2.7: Membership Budget Process

A CICA Budget Committee shall be created by the President of the CICA and shall be composed of six lot-owning CICA members plus the CICA president.

The President will set the dates/times of the meetings, call all meetings to order, and chair all meetings. The President may deliberate and participate in discussions but will not have a vote unless there is a tie among the members of the committee.

This CICA Budget Committee shall prepare an annual budget for Voluntary Membership by a date determined by the CICA Board for consideration. This proposed budget will be approved by the Board of Directors and then shall be distributed to all members 30 days prior to the CICA Annual Meeting of Members.

Section 2.8: Annual Meeting of Members

The CICA Board shall approve the proposed Voluntary Membership Budget at a scheduled regular board meeting then present this proposed budget to the members in attendance at the Annual Meeting for their consideration and vote. All members in attendance at this meeting will have the right to vote (one vote per household).

In the event the Budget is not approved by the voting members in attendance, the Board will meet and distribute a revised budget to all members within 60 days of the Annual Meeting for their consideration and vote.

If the Annual Meeting is postponed or altered due to unforeseen circumstances, the Board may convene a virtual meeting and accept electronic votes on any matters being presented. Members shall be notified of this meeting via email 10 days in advance of said meeting.

ARTICLE 3: Chesapeake Isle Civic Association Meetings

Section 3.1: CICA Meetings

(A) Annual Meetings - The Annual Meetings for the approval of the proposed budgets, election of Directors, and other business shall be held on the fourth (4th) Sunday in August of each year. This meeting may be postponed and/or the Board may convene a virtual meeting due to unforeseen circumstances. In the event the meeting is postponed, written notice of the new meeting date shall be distributed at least ten (10) days before the date of the new meeting.

(B) Special Meetings - Special meetings may be called at any time by the President, or upon written request of a majority of the Board, or upon written request of 15% of the property owners and/or voting members of the CICA.

(C) Place - All meetings shall be held in a place located within a radius of twenty-five (25) miles of Chesapeake Isle or held virtually.

(D) Notice - Written notice of time, place, and purpose of each Special Meeting shall be distributed at least ten (10) days before the date of the meeting, unless a greater period of time is required by law in a particular case.

Section 3.2: Voting Rights

(A) CICA property owners shall have the right to one vote per lot owned. Voting items are limited to Capital Improvements and Special Assessments (Section 1.6) and Community Maintenance Budgets (Section 1.7).

CICA voluntary members shall have the right to one vote per household. In addition to the voting items listed in Section 3.2 (A) above, voting items for CICA members include but are not limited to Capital Improvements (Section 2.6) and Membership Budgets (Section 2.7). CICA members are also able to vote in the election of CICA Board of Directors (Section 4.3), major changes to CICA-owned property (Section 4.4 (6)), and changes to the Bylaws (Section 3.2(E)).

(B) Voting on CICA business may occur in a variety of ways. The CICA Board may conduct voting activities by property owners and members casting a written ballot during a face-to-face meeting, through an electronic medium (such as email, an online system, or some other electronic voting mechanism in a virtual meeting), through the mail service, or another Board-approved method.

(C), A simple majority of the total ballots returned by the prescribed time will make the decision. Social members (legally contracted renters) are not eligible to vote.

(D) At the Annual Meeting, a minimum of at least twenty-five (25) eligible votes shall constitute a quorum. If a quorum is not achieved, no business shall be transacted. Proxy votes are permitted.

(E) These Bylaws may be amended via a simple majority of electronic and/or mail-in vote of all CICA members provided that the amended document has either been voted upon and recommended by the Board. Proposed amendments and a ballot, accompanied by a letter explaining the reason for the proposed changes, will be distributed to all CICA members. Returned ballots received by a prescribed time will be counted at a public forum of the CICA members. The President will appoint one Board member and two non-Board members to count the ballots.

(F) The Board has the authority to set a higher threshold to constitute a minimum quorum. The Board also has the authority to set a higher threshold than a simple majority of 50% for approval in certain circumstances. Prior to a vote being taken, the Board will communicate the quorum requirement and percentage required for approval.

Section 3.3: Conduct of Meetings

The meetings shall be conducted in accordance with Robert's Rules of Order unless these bylaws overrule Roberts Rules of Order.

ARTICLE 4: Board of Directors

Section 4.1: Number and Term

(A) The Board shall consist of twelve (12) property owners who maintain CICA voluntary membership. The CICA Board shall include four (4) officers.

(B) Term of Office - The Board shall be divided into three (3) classes of four (4) Directors each. One class shall be elected at each Annual Meeting to serve until the Annual Meeting three years thereafter, and until their successors have been elected and qualified. Board membership is limited to two (2) consecutive terms with one three-year term off before being eligible for Board membership again.

(C) When a vacancy occurs, former Board members may serve as temporary replacements until the next election of Directors when a qualified successor has been chosen.

Section 4.2: Procedure for Nomination

No Directors shall be elected at any meeting unless they have been nominated in one of the following:

(A) By the Nominating Committee: The Board shall either nominate candidates for the Office of Director or appoint a Nominating Committee, which shall make such nominations. These nominations will be presented to the property owners and CICA membership prior to the Annual Meeting.

(B) By the CICA property owners who are CICA voluntary members: Nominations for Directors may be made by any five (5) members in writing, delivered to the Secretary before the Annual Meeting of members is called to order.

Section 4.3: Election of Board Members

Uncontested elections may be conducted by a motion vote. Contested elections will be conducted via a ballot vote. The Board shall designate three (3) members to count the vote in a competitive election.

Section 4.4: Powers

The Board shall have entire charge of the affairs, funds (see Section 4.5: Budget Management), and CICA-owned property, the furtherance and not in limitation of the foregoing, the Board shall have the following powers:

(1) to establish and collect annual community maintenance fees, membership dues, special assessments and such other fees,

(2) to make all decisions concerning roads, water supply and sewage disposal systems if such ever exists, and other community facilities in Chesapeake Isle,

(3) to enforce required improvement(s) of any lot(s) in Chesapeake Isle and to enforce any other rules, regulations, standards, or restrictions created in the title of any property in such area,

(4) to identify the boundaries of the CICA area,

(5) to create such committees including, but not limited to, an Architectural Review Committee, Budget Committee, Legal Committee, and Community Affairs and Membership Committee with such powers and duties (in addition to those set forth in these Bylaws) as it may deem advisable,

(6) to approve a proposed major change affecting CICA-owned property before being submitted to the members for a vote as outlined in Sections 1.8, 2.8, and 3.2; and

(7) to establish policies and procedures for the fiscally responsible use of CICA funds.

Section 4.5: Budget Management

CICA maintains two major components: CICA Community Maintenance and CICA Voluntary Membership; each have an operating fund and a reserve fund. The operating fund is used for day-to-day expenses and maintenance of the CICA-owned property and assets. This is where the most transactions take place. The reserve fund is essentially a savings account. It is where funds are saved for more costly repairs and replacements. Reserve funds may be unrestricted or restricted for specific purposes and are funds set aside by CICA to pay for the replacement or repair of CICA-owned property or assets. Reserves are intended to avoid the need for special assessments.

Once the Community Maintenance Budget and the CICA Voluntary Membership Budget are approved by the property owners and members respectively, the Board of Directors is responsible for administering the annual budgets and any cash reserves.

Any expenditure not accounted for in the restricted reserve funds, of more than 15% of the previously adopted Community Maintenance Budget total, must be approved by a budget amendment at a special meeting of property owners.

Section 4.6: Board of Directors Meetings

(A) Regular Meetings - Regular meetings of the Board shall be held at designated times, and notice of such meetings need not be given unless otherwise provided herein.

(B) Special Meetings - Special meetings of the Board may be called at any time by the President or called by the President upon receipt of a written request from three (3) Directors. Written notice of the time, place, and purpose of the special meetings shall be given to each Director and property owners at least three (3) days before such meetings.

(C) Closed Meetings - Meetings may be closed only for consultation and discussion of legal matters, contract negotiations, personnel matters, and for discussion of delinquencies. Maryland law requires a statement of the time, place, and purpose of any closed meeting, the record of the vote of each board member by which any meeting was closed, and the authority under this section for closing any meeting shall be included in the minutes of the next meeting of the Board of Directors.

(D) Attendance - CICA property owners and members may attend Regular and Special meetings of the Board and may, at the recognition of the President, participate in discussion(s).

(E) Place - Meetings of the Board shall be held at such place as the Board may designate or as may be designated in the meeting notice or held virtually.

(F) Quorum - The majority of all the Directors then in office shall constitute a quorum for all business at any meeting and the acts of a majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board, except where otherwise required by law, the Articles of Incorporation, or these Bylaws.

(G) Informal Action - If all the Directors shall severally or collectively consent in writing to any action to be taken by the CICA, such action shall be valid corporate action as though it has been authorized at a meeting of the Board and recorded in the published minutes.

(H) Vacancies - Vacancies in the Board shall be filled by a majority vote of the remaining Directors though less than a quorum. Temporary Directors shall serve until the next Annual Meeting election of Directors.

ARTICLE 5: Officers

Section 5.1: Election of Officers

At its first meeting after the Annual Meeting, the Board shall elect to serve for a period of one (1) year and until the successor of each is elected and qualified, a President, Vice President, Secretary, Treasurer, and such other officers as it deems advisable, and shall fix the compensation, if any, to be paid to the officers. All Officers shall be members of the Board. Any Officer may be removed by a 2/3 vote of all Board members whenever, in its judgment, the best interests of the CICA will be served thereby.

Section 5.2: President

The President shall be the Chief Executive Officer of the CICA, and except as the Board may otherwise prescribe by resolution, shall have general supervision over the affairs of the CICA. The President shall sign all legal documents issued by the CICA. The President shall preside at all meetings of the Board, members, and property owners.

Section 5.3: Vice President

The Vice President shall exercise the functions of the President during the latter's absence or incapacity and shall perform such other duties as may be delegated by resolution of the Board or the President.

Section 5.4: Secretary

The Secretary shall be responsible for the recording and distribution of the minutes for all CICA meetings. Minutes of monthly Board meetings shall be given to all Board members, Committee Chairs, and other persons so designated by the Board. All minutes shall be published for community access. The Secretary and/or a designee shall be responsible for the compilation of the CICA Newsletter and such other correspondence. The Secretary shall also be responsible for the other duties normally associated with that office.

Section 5.5: Treasurer

The Treasurer shall keep proper, up-to-date records of the financial accounts of the CICA and ensure compliance with federal and state requirements. The Treasurer shall also keep a record of all income received and all expenses paid by the CICA according to acceptable accounting procedures. The Treasurer shall maintain separate accounts for expenses associated with the operating budgets and reserve accounts. The Treasurer shall have custody of the funds of the CICA, which shall be deposited in a bank or banks designated by the Board. The Treasurer shall disburse such funds only in accordance with such procedures as shall be adopted by the Board. The Treasurer shall furnish such bond as the

Board may require. The Treasurer shall perform such other duties as normally associated with the office of Treasurer and engage a third party to conduct an annual Financial Review of its books. With the approval of the Board of Directors, the duties of the Treasurer may be delegated to a paid bookkeeper.

ARTICLE 6: CICA Committees

Section 6.1: Standing Committees

The Board of Directors shall establish standing committees to assist with the short- and long-term operations of CICA. The Board shall appoint a Chair for each standing committee who shall provide monthly reports to the Board of Directors. The purpose or charge of each standing committee shall be defined by the Board of Directors. Permanent standing committees are the Budget committee and the Legal committee.

Section 6.2: Select Committees

The Board of Directors may establish other select committees as needed to carry out the work of the Board and support CICA activities. These committees may be temporary or on-going as the Board deems appropriate. The Board shall appoint a Chair for each select committee who shall provide monthly reports to the Board of Directors. The purpose or charge of each select committee shall be defined by the Board of Directors.

Order of Precedence:

In the event, of a conflict, dispute, or inconsistency between the CICA documents, the following Order of Precedence shall apply:

1. *Articles of Incorporation*
2. *Restrictive Covenants*
3. *Bylaws*