I. GENERAL
The Baywood Homeowners’ Association is a non-profit membership organization in the State of Delaware. The Association is also unofficially known by the abbreviation, “BHA.”

II. PURPOSES: Association and Bylaws

A. Association
1. To promote community and social activities.
2. To provide a link to Tunnell Companies, exchanging relevant and necessary information with Tunnell Companies, members and residents.
3. To provide representation, input and information on community issues, environmental concerns, legislative matters and any other matters that may be of interest to all residents.
4. To encourage Association Members and residents to maintain and improve the quality of life in the Baywood community.

B. Bylaws
1. To clearly define rules and procedures for how the BHA shall operate and be governed.
2. To satisfy the requirements set forth by the banking institution(s) holding the assets of the BHA.

III. MEMBERSHIP

A. Eligibility: Two primary adult occupants of a residence shall be eligible for BHA membership and shall become members upon paying the dues as set by the BHA. Where there are additional adults occupying the same residence, each additional adult shall be eligible for BHA membership and shall become a member upon paying the dues as set forth by the BHA.

B. Dues are assessed on an annual basis, with the amount set by the Membership in conjunction with the Board of Director’s recommendation. These dues shall be used for the cost of administrative, community and social activities in accordance with Bylaws.

C. Each individual member shall be entitled to one vote on matters submitted to a vote of the membership. The BHA is a membership-driven organization and the ultimate authority lies with such membership, not any Officer, Board Member or Committee, or combination thereof.
The exception to this is that renters may not vote on the election of members of the Board of directors

IV. BOARD OF DIRECTORS

A. The Board of Directors, including the Officers listed below, shall consist of not less than seven (7) nor more than fifteen (15) members, and shall consist of the Officers and elected Phase Representatives.

B. The officers of BHA, President, Vice President, Secretary and Treasurer and the Phase Representatives, shall be elected from among the members in good standing and be members of the Board of Directors for a term concurrent with their respective term of office. In this instance and in future instances where the term “member in good standing” is used, it shall mean someone who currently occupies a home in Baywood on a non-rental basis and whose dues are current.

C. All of the Officers must be year-round residents. This is required due to the year-round nature of the BHA’s functions and activities.

D. Each designated phase of Baywood, once at least ten households have become members in good standing of the BHA, may have one Phase Representative on the Board of Directors. Until that time an existing Phase Representative shall be appointed by the Board to represent that Phase. Such representative shall be known as a Phase Representative and must be a year-round resident. If this causes an even number of Board Members, an AT-LARGE Board Member shall be elected annually by a vote of the membership.

E. The term of office for all Board Members shall be two years. Board Members may be elected for one additional consecutive term. Any Board Member who is term-limited by this provision of the Bylaws may not be elected to the same position on the Board for a period of two years.

F. The President and Secretary shall be elected in even-numbered years and the Vice President and Treasurer shall be elected in odd-numbered years. Board Members elected from even-numbered Phases of Baywood shall be elected in even-numbered years and Board Members elected from odd-numbered phases shall be elected in odd-numbered years.

G. Every exiting member of the Board shall complete a timely transition of proprietary material (e.g., documents, files, keys, etc.) and information (e.g., contacts, lessons learned, unfinished business, etc.) to the newly-elected or appointed member of the position he or she is vacating. The exiting member of the Board shall submit a summary of the transition process and its completion to the Board within one month after the election.

H. The Board shall establish a calendar year annual budget as set forth in ARTICLE VIII hereof, implement the policies and accomplish the purposes established by the members and be responsible for the control and management of affairs and interests of the BHA. No Board Member shall receive compensation of any kind, except reimbursement of funds properly advanced for BHA activities, while serving on the Board.
I. The Board shall hold at least one meeting prior to any Membership meeting or as circumstances require.

J. A Quorum of five (5) members of the Board of Directors is required to conduct all Board meetings. This quorum must include two officers and one must be the President or Vice President.

K. The Board shall review all written requests, signed complaints and other matters that are in the best interest of the BHA and/or the Baywood community.

L. Any vacancy occurring on the Board shall be filled for the unexpired portion of the term by a member in good standing, appointed by the President, with the Board’s prior approval until the next general election process. In the event that through death, resignation, incapacity or removal, or any combination thereof, a quorum of the Board is impossible, the membership shall be notified and the election process to fill all vacancies shall be immediately commenced.

M. In the event there is no candidate for a term-limited board position, the term-limited member may continue to serve until a candidate is identified and elected.

N. Any member of the Board who shall be absent from three (3) consecutive Board meetings without notice or adequate reason acceptable to the Board shall be deemed to have resigned from the Board.

O. Any Officer or Board Member who shall fully or intentionally fail to follow these Bylaws or violates the trust placed in them shall receive documented specific charges brought against them from the Board. Timely notice (at least 7 days) of such action shall be provided to the accused party, who shall be given the opportunity to appear in their defense before any Board disciplinary meeting. They may be censured or recommended for removal from office by a vote of the majority of the Board at a meeting called for that purpose. The Board decision and action must be presented to the Membership at the next regular or special meeting called for that purpose.

P. All employees of Tunnell Companies, LP, or any related Tunnell organizations that reside in Baywood, may be members of the BHA; however, because of potential conflict of interest, they may not hold elective office.

Q. All renters of housing units may be members of the BHA; however they may not vote in the annual election of Board members nor hold elected positions on the Board of Directors.

V. OFFICERS AND PHASE REPRESENTATIVES:

The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer.

A. PRESIDENT

1. The President shall be the Chief Executive Officer of the BHA and subject to
the direction of the Board. The President shall direct the implementation of all orders and resolutions of the Board. The President shall preside at all meetings of the membership and the Board, and shall set the agenda and invite guest speakers.

2. The President shall appoint all chairpersons of committees, with prior confirmation from the Board.

3. The President shall act as the primary BHA representative in all BHA contacts and meetings.

4. It shall be the responsibility of the President to initiate and maintain regular contact with Tunnell Companies, LP, and any other Tunnell affiliated organizations.

5. The President, by virtue of the office, shall be an ex-officio member of all committees (except Nominating and Auditing), or shall appoint an Officer or Board Member to join a committee as required.

6. The President shall submit the event calendar for the year. Once approved by the Board, the calendar shall be communicated to Tunnell Companies by December 15 for overall event coordination in all Tunnell Companies owned locations.

B. VICE PRESIDENT

1. The Vice President shall act in the President’s capacity at all Board and Membership meetings during the President’s absence.

2. The Vice President shall chair the Budget Committee and coordinate the annual budget review process in conjunction with the Treasurer and Secretary.

3. The Vice President shall assist with various Committee functions as requested by the President and shall perform other duties as specified/defined by the Board.

4. The Vice President shall attend all meetings of the Activities Committee and provide guidance to the Committee Chair(s) and members on budgetary and procedural issues.

C. SECRETARY

1. The Secretary is responsible for the security, safekeeping and accuracy of all Board records.

2. The Secretary shall record all the proceedings of Membership and Board meetings. Minutes of all membership meetings shall be emailed to the membership, posted on the BHA official website and a hard copy made available at the request of any Member after agreement of the contents and approval by the Board. Minutes of all Board meetings shall be emailed to all Board members and shall be posted in the “Board Only” section of the BHA website once the Board members have agreed to and approved the contents of the minutes.
3. The Secretary shall receive and file all correspondence as directed.
4. The Secretary shall give notice of all meetings for which notice is required by these Bylaws.
5. The Secretary shall disseminate all information to BHA Members and/or Baywood residents as defined by the Board utilizing the BHA web mail system or by hard copy, as appropriate.
6. The Secretary shall serve as a member of the Budget Committee.

D. TREASURER

1. The Treasurer shall have charge and custody of all funds of the BHA and shall receive within seven days all funds collected, generated or obtained in connection with BHA activities.
2. The Treasurer shall keep full and accurate accounts of receipts and disbursements, as directed by the Board, in a BHA financial ledger.
3. The duplicate receipt method shall be used when cash is received.
4. The Treasurer shall only disburse funds upon receipt of proper documentation (invoice/receipt and check request form).
5. A checking account shall be maintained in a local bank at the discretion of the Board. All monies shall be deposited in the name of, and to the credit of, the BHA.
6. The Treasurer shall ensure that all outgoing checks are signed by any two of the approved Officers: President, Vice President, Secretary or Treasurer. In the event that a spouse of an Officer holds a position that is authorized to sign checks, that Officer shall not be approved to sign checks.
7. A report reflecting all the Treasurer's monthly transactions shall be presented for review at the monthly Board meetings and a summary of such reports shall be presented at all membership meetings.
8. Projected expenditures amounting to more than $25.00 that do not have prior approval in the annual budget must be approved by the Board.
9. An audit of BHA books and accounts shall be conducted by an Auditing Committee appointed by the Board. This audit shall be performed one time annually and a written report thereof shall be promptly delivered to the Board and presented to the Membership at its next meeting. In addition, an independent auditor selected by the Board may also be employed for the purpose of auditing the books as required.
10. The Treasurer shall serve as a member of the Budget Committee and shall act as Chair in the absence of the Vice President.

E. PHASE REPRESENTATIVES

All Phase Representatives elected pursuant to Article IV, Section D of these Bylaws shall serve as Members of the BHA Board of Directors Phase Representatives shall give special attention to the needs and requests of BHA
Members residing in their designated Phase and report said needs and requests to the Board for consideration.

1. Phase Representatives shall serve as members of the Membership Committee.

2. Phase Representatives shall contact all new residents within their phase and provide them with an Orientation to Baywood and the BHA, and shall solicit their membership in the BHA.

3. Phase Representatives shall make distributions of notices and information as needed and maintain and keep current all documentation for the Orientation to Baywood and BHA.

VI. COMMITTEES

A. With prior approval by the Board, the President shall appoint the chairpersons of the standing Committees and make certain that all active BHA Committees have a chairperson. These Committees are:

1. Membership Committee
2. Directory Committee
3. Outreach Committee
4. Activities Committee
5. Advertising Committee
6. Nominating Committee
7. Legislative Committee
8. Auditing Committee
9. Bylaws Committee
10. Web Committee and
11. Budget Committee and

The President may appoint other committees as deemed necessary.

B. The members of Committees shall be members in good standing in the BHA. The Committee Chairperson shall appoint members of the Committees. Committees shall make periodic reports to the Board or as requested by the Board.

C. The Chair of each Committee is responsible for defining and maintaining the budget approved by the Board. All expenditures outside of the approved annual budget in excess of $25.00 must be approved by the Board prior to the purchase or commitment of funds.

D. The Membership Committee shall receive applications from eligible persons wishing to become members of the BHA. The Chairperson shall maintain a listing of all current members and endeavor to create a current record of telephone number(s), Email and U.S. Post Office addresses of members. A list of the current members shall be provided to the Activities Chairperson, the Newsletter Committee, members of the Board, and to no other individual or
organizations. Monies received with applications shall be given to the Treasurer within 7 days of receipt. The Committee shall make every effort to build the membership by providing information and directing attention to the advantages and activities available to members. This committee shall include all Phase Representatives.

E. The Directory Committee, in partnership with the Membership, Advertising, and Web committees, shall be responsible to compile, validate and publish a directory of all Baywood Residents. This directory will be made available to all BHA Members annually as part of their membership fee. Non-BHA Members and members requesting an extra copy may purchase the directory for a fee.

F. The Outreach Committee, on its own volition, shall perform outreach to community residents in need and as directed by the BHA President and/or Board and shall report their actions to the Board.

G. The Activities Committee shall arrange for such activities that shall stimulate maximum membership participation. Such activities shall include, but are not limited to, Christmas and/or other holidays and other special events, as determined in accordance with these Bylaws. In addition, the Committee may arrange for presentations relating to a variety of subjects and special interests of the BHA. This committee shall coordinate its activities closely with the President and the Board and shall present activity and budget updates at every Board Meeting.

H. The Advertising Committee shall be responsible to contact local businesses for the purpose of developing a relationship with and advertising on the BHA website, Directory and/or Newsletter, as appropriate. The money raised by the Advertising Committee shall be used by BHA to offset costs associated with the website, Directory, activities and/or normal operations of the Association. BHA Members shall be encouraged to use the services of BHA Advertisers.

I. The Nominating Committee shall consist of at least three members. The Committee shall review the membership for qualified persons and, if necessary, interview potential candidates. The Committee shall prepare a slate of Officers and/or Phase Representatives and submit their selections for consideration by the BHA Members as outlined under ARTICLE VII - ELECTIONS.

J. The Legislative Committee shall monitor and report legislative activities at all levels, monitor all other activities (e.g., environmental, modular homes, land use etc.) affecting the residents of Baywood and maintain contact with the elected members of the County and State governments.

K. The Auditing Committee shall audit the books and accounts of the BHA not less than one time annually and present a report of its findings to the BHA Board within one month of the audit. Members of this committee may not be persons who are in a position to request and/or receive funding from BHA treasury.
L. The Bylaws Committee shall periodically review and if necessary recommend amendments to the Bylaws of the Baywood Homeowners Association. In the case of a dispute over interpretation of the Bylaws, the Committee, upon the written request of the Board or membership, shall provide the meaning and intent of the Bylaws. The Bylaws Committee Chair shall review requests for change as submitted by the BHA Board and take the necessary steps to review and provide guidance to the Board. The Bylaws Committee and the Board shall seek approval by the BHA Membership to adopt requested changes.

M. The Web Committee shall create, maintain and update an Internet web site and make same available to all members. The Web Committee will shall make sure no changes are made to Web contents governed by or related to Board business without written request by the President of the BHA Board.

N. The Newsletter Committee shall write and publish newsletters containing information of interest to the Members and distribute a copy to every Member as directed by the Board.

O. The Budget Committee shall consist of the Treasurer, the Secretary, and the Vice President, who shall serve as Chair. The Budget Committee Chair shall solicit input to the calendar year annual budget from all Committee Chairs prior to the beginning of the annual budget cycle.

P. No Officer or Board Member shall be a member of the Nominating Committee or the Auditing Committee.

VII. ELECTIONS

A. The Chairperson of the Nominating Committee shall submit a preliminary slate of candidates to all BHA Members either by electronic or U.S. mail by April 15 along with a copy of this section of the Bylaws. Other nominations may be submitted to the Chairperson of the Nominating Committee either by electronic or U.S. mail for receipt by April 30. The Chairperson of the Nominating Committee shall then submit the final slate of candidates, along with a pre-numbered ballot and/or a unique electronic voting key for use with an online voting system approved by the Nominating Committee, to all BHA members in good standing by May 15. No nominations may be made or accepted from the floor.

B. Voting shall be conducted under the supervision of the Nominating Committee and with the assistance of the Web Committee whenever electronic voting is approved by the Nominating Committee. This requirement may be waived if there is only one candidate for each position open for election. In this instance, the President may call for a vote by the Membership, by either a show of hands or a voice vote, that the slate be accepted as presented. BHA Members may return pre-numbered ballots by U.S. mail or in person to the Nominating Committee Chairperson, or cast ballots using a unique electronic voting key issued by the Web Committee, on
or before a date announced in advance by the Nominating Committee to ensure that votes can be properly recorded in time for the June membership meeting. Members in good standing who find it necessary to vote in person may do so at the June membership meeting.

Votes shall be counted in confidence by the members of the Nominating Committee, and with the assistance of the Web Committee whenever electronic voting has been approved by the Nominating Committee. Results of the elections will be announced by the Nominating Committee Chairperson.

The number of votes cast for any candidate shall not be disclosed. Physical ballots cast shall be retained by the Chairperson of the Nominating Committee for 90 days and then destroyed, while ballots cast electronically will be deleted after 90 days and removed from all data archives in which they are recorded with the assistance of the Web Committee.

C. The President or a sitting member of the board shall install newly elected Officers or Board Members immediately following the election.

**VIII. ANNUAL BUDGET**

The Budget Committee shall obtain all necessary information from the Committee Chairpersons in order to prepare a proposed budget for the following year and present same to the Board at the August meeting. The Board shall adopt a budget, attach a copy of it to the August meeting minutes and present it for ratification by the Membership at the September membership meeting. The new budget shall go into effect on the first day of the new calendar year.

**IX. BOARD and MEMBERSHIP MEETINGS**

A. Monthly membership meetings shall be held on the second Saturday of January, April, May, June, July, August and September of each year. The meeting dates for the other months of the year shall be as scheduled by the Board of Directors with proper advanced notice to the membership.

B. The President and/or the Board of Directors may call special membership meetings at any time provided the membership of the Association has been duly notified. Duly notified means that adequate information was provided to the membership in a timely manner as to the date, time, location and reason for the special meeting. Notification shall be posted on designated bulletin boards and via U.S. mail and electronic mail.

C. All meetings shall be conducted under a defined and established process, based on Roberts Rules of Order, except where provided otherwise by these Bylaws.

D. The order of business for conducting BHA Membership Meetings and Board Meetings shall be as follows.

1. Call to order
2. Welcome new members and first time attendees
3. Approval of Minutes
4. Reading and approval of Treasurer’s Report
5. Where appropriate an approval process shall be used and shall include:
   a. a motion being proposed for a vote
   b. a second
   c. acknowledgment of motion and seconding
   d. opportunity for discussion of the issue to ensure complete clarity and understanding
   e. a vote (simple majority unless otherwise required by the Bylaws)
   f. acknowledgement of those in favor and those in opposition
   g. adoption or rejection
6. Report from the President, to include all current information and relevant correspondence.
7. Report from Committees
8. Old business
9. New business
10. Nomination of officers (as required)
11. Election of officers (as required)
12. Installation of officers (as required)
13. Approval of Annual Budget (as required)
14. Announce date, time and location of next meeting
15. Motion to adjourn

E. All general meetings of the BHA shall be conducted in or within a reasonable distance of the Baywood community.
F. At meetings where voting is conducted, eligible members may vote in person or by e-mail ballot provided such ballot is received prior to the meeting date.
G. A quorum of nine (9) persons is required to conduct business at any regular or special membership meeting. This Quorum shall include six (6) BHA members who are not Officers or Board Members of the Association plus two (2) Officers and one (1) Board Member.
H. Meetings are for the purpose of providing information, announcing events, board actions, etc., and for the benefit or expression of views by members of the BHA.
I. Minutes shall be recorded at every Board and Membership meeting and will shall be distributed as follows: to appropriate audiences in a timely manner. Board Meeting minutes shall be distributed to members of the BHA Board of Directors and Membership Meeting Minutes shall be distributed to BHA members in good standing.
X. BYLAWS

These Bylaws shall be reviewed periodically to determine their pertinence to the status and operation of the Association. If it is determined by the Board that a review is in order, the Bylaws Committee or the Board shall review and prepare recommended changes and present them to the Board and the Bylaws Committee within a period of time specified by the Board. The Board shall then vote on the proposed amendments and submit any changes it approves to the Membership for final approval. A copy of the Bylaws shall be available to the membership on the Association’s web site and at all general meetings.

XI. LEGAL

All Officers, Board Members, Members of Committees and others performing approved Association activities on a voluntary basis, shall do so without personal liability. For other than illegal acts, the Baywood Homeowners Association shall defend and indemnify such persons from all causes of action whatsoever. Activities sponsored by any organization or group other than BHA are excluded from this indemnification.

XII. AMENDMENTS

The individual members, at a meeting designated for that purpose, by a two-thirds vote, shall have the power to amend those sections of these Bylaws not regulated by the laws of the State of Delaware. A BHA Member not able to attend a meeting for the purpose of voting on amending the Bylaws shall be able to vote by absentee ballot. The ballot must be requested, completed and submitted to a Board officer or member prior to the date of the meeting. See document section for procedure and ballot.

Revised the 8th Day of May 2017

For the Association:

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President Sean McKinley
Secretary Nilda Incatasciato