

## CONSTITUTION AND BYLAWS

### ARTICLE I

#### Organization and Objectives

Section 1. This constitution is hereby made a part of the Certificate of Incorporation of the Barnegat Light Taxpayers' Association, Inc., (the "Association") in accordance with an act of the Legislature of the State of New Jersey, entitled Title 15 of the Revised Statutes and the several supplements thereto and acts amendatory thereof.

Section 2. This organization shall be known as the BARNEGAT LIGHT TAXPAYERS' ASSOCIATION, INC.

Section 3. Its purpose shall be as follows:

- a. To preserve the individuality and character of the Borough of Barnegat Light as an independent and predominantly residential seashore community.
- b. To preserve and enhance the natural advantages and beauty of the Borough, including the Borough's park lands, in the best interest of its residents.
- c. To inform the Association members of important matters being considered at public hearings and before County, State and Federal bodies on matters consistent with the purpose of the organization.
- d. To support efficiency and economy in government, through the improvement of public services and the reduction of public expenditures, toward the end of reducing taxes without impairment of benefits received.
- e. To foster unbiased public interest in government; to assist in the maintenance of good mutual understanding between the citizens and public officials; to promote public knowledge and appreciation of public problems through non-partisan publicity; and to inform public opinion about potential solutions.
- f. To inform on matters referred to the Association by the Borough Council.
- g. To inform on matters pertaining to the future development of the Borough.

Section 4. This organization:

- a. Is organized exclusively for charitable, religious, educational or scientific purposes under Section 501(c)(3) of the Internal Revenue Code, modified by any future revisions of the applicable Federal tax code;
- b. Is expressly not empowered to engage in activities that are not in furtherance of one or more exempt purposes, and;
- c. Resources must be dedicated to an exempt purpose within IRC 501(c)(3) by the terms of this governing instrument or by operation of law.

## ARTICLE II Membership

Section 1. Membership in the Association shall consist of a single class and consist of any taxpayer, property owner or registered voter in the Borough of Barnegat Light and his or her spouse or domestic partner. Both husband and wife or both domestic partners shall be entitled to one vote each.

Section 2. Only members in good standing are eligible to vote on matters brought before the Membership. Membership is not required to participate in the activities of the Association.

Section 3. A member in good standing shall be for whom annual dues have been paid in full prior to September 30<sup>th</sup> of the current fiscal year of the Association.

## ARTICLE III Meetings

Section 1. Regular general membership meetings shall be held in the months June, July and September of each calendar year in Barnegat Light, NJ, unless otherwise posted pursuant to notification requirements in Section 3, below. Additional meetings of the trustees may be held upon the affirmative vote of the majority of trustees.

Section 2. Special meetings may be called by the President and three Officers or Trustees or shall be called by the Secretary upon the written request of ten (10) members in good standing to be held in Barnegat Light, NJ.

Section 3. Notice to members of regular or special meetings may be by direct mail or email (to those persons having email) to members in good standing, by publication in a local newspaper or by posting in a public place in Barnegat Light, NJ at least three (3) days in advance of the meeting.

Section 4. Notice of any meeting need not be given to any trustee who signs a waiver of notice, whether before or after the meeting, or such waiver is signed by his or her duly authorized attorney. The attendance of any trustee at a meeting without protesting prior to the conclusion of the meeting the lack of notice of the meeting shall constitute waiver of notice by that trustee.

Section 5. At every meeting of the Trustees, each trustee entitled to vote by these Bylaws shall be entitled to one (1) vote in person and not by proxy.

Section 6. Any action required or permitted to be taken at any meeting of the Board of Trustees or any committee thereof may be taken without a meeting, if prior or subsequent to such action, a written consent to such action is signed by all trustees or by all members

of such committee, as the case may be, and if such written consent is filed with the minutes of proceedings of the Board of Trustees or the committee.

Section 7. Trustee meetings by telephone conference call or by any means of communication by which all such persons are able to hear each other shall be permitted, upon proper notice, provided that a quorum of trustees participates in any such conference call.

#### ARTICLE IV Elections

Section 1. At the June regular meeting, the President shall appoint a Nominating Committee that shall nominate the officers and trustees for the ensuing year. The Committee shall report its slate at the July meeting. Nominations from the floor may also be made at the July meeting. Nominees for the office of Treasurer will be contingent on the outcome of a successful background check undertaken by the Board of Trustees.

Section 2. The annual meeting for the election and installation of Officers and Trustees shall be held at the regular September meeting. The Officers and Trustees shall be those who receive a majority of the votes of those members in good standing who are present at the meeting.

Section 3. Officers and Trustees elected shall take office as of the close of the regular September meeting.

Section 4. Nominations to serve as a Trustee shall be made only from members in good standing in the Association. Nominations to serve as an Officer shall be made only of a Trustee with a minimum of one year of service as a Trustee.

#### ARTICLE V Restrictions on Activities

Section 1. Anything to the contrary notwithstanding, the purposes for which this corporation is organized are limited to such as will qualify it as an exempt organization under Internal Revenue Code 501 (c)(3) and any amendments thereto including, for such purposes, the making of distributions to other corporations that so qualify. No trustee, officer, member, employee or representative of this Association shall take any action or carry on any activity by or on behalf of the Association which is not permitted to be taken or carried on by an organization exempt from federal income tax under Code section 501(c) (3).

Section 2. Pursuant to section 501 (c)(3) of the Internal Revenue Code, this corporation is absolutely prohibited from engaging in political activities. Specifically, this corporation will not directly or indirectly participate in, or intervene in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Further, this corporation is

absolutely prohibited from making contributions to political campaign funds or making public statements of position (verbal or written) on behalf of the Association. This corporation will not devote a substantial part of its activities to influence legislation by contacting, or urging the public to contact, members or employees of a legislative body for the purpose of proposing, supporting, or opposing legislation, or advocating for the adoption or rejection of legislation. This corporation may be involved in issues of public policy in an unbiased and educational manner by conducting educational meetings or preparing and distributing educational materials.

## ARTICLE VI Dissolution Clause

Upon the dissolution of the organization, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the organization, dispose of all the assets of the organization in such manner, or to such organization(s) organized and operated exclusively for charitable, educational, religious or scientific purposes and having been qualified at the time of the disposition as an exempt organization(s) under Sections 501(c)(3) of the Internal Revenue Code as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Court of competent jurisdiction of the county in which the principal office of the organization is then located, exclusively for such purposes as said Court shall determine, which are organized and operated exclusively for such purposes.

## BYLAWS

### ARTICLE I Dues

Section 1. Annual membership dues [in the amount approved by the Trustees] shall be paid by September 30<sup>th</sup> of the Association's current fiscal year to qualify as a member in good standing. Effective January 1, 2012 there shall be no additional lifetime memberships established. Lifetime memberships established prior to January 1, 2012 shall continue in full force and effect during the lifetime of the paid member and his/her spouse or domestic partner.

## ARTICLE II Officers

Section 1. The officers shall consist of the following:

President – who shall preside at all meetings of the members and by an ex-officio member of all committees. The President shall develop the agenda for meetings with the assistance of other officers and shall in general supervise and control the business and affairs of the Association and shall have custody of the Association seal, if any. The President may enter into contracts on behalf of the Association, following majority approval from the Board of Trustees.

Vice President - who shall preside at all meetings at the request of the President or in the absence or incapacity of the President and also be an ex-officio member of all committees. To the extent authorized by law, the Vice President shall have such other powers as the Board of Trustees may determine, and shall perform such other duties as may be assigned by the Board of Trustees, and shall keep a current, correct roll of all members.

Treasurer – who shall have custody of the Association’s funds, property and securities, subject to such regulations as may be imposed by the Board of Trustees and perform all functions usual to that office subject to the control of the Board of Trustees. When necessary or proper the Treasurer may endorse for collection on behalf of the Association checks, notes and other obligations, and shall deposit the same to the credit of the Association at such bank or banks or depository as the Board of Trustees may designate.

Formal approval of the Board of Trustees is required to open a new bank account, to obtain a loan or line of credit of any type including a credit card, or to pledge the assets of the Association as collateral for any indebtedness. The Treasurer shall sign all receipts and vouchers and, together with other officer or officers, if any, designated by the Board of Trustees, the Treasurer shall sign all checks of the Association, except in cases where the authority to sign or execute checks has been expressly delegated by the Board of Trustees or by these Bylaws to some other officer or agent of the Association. The Treasurer shall make such payments as may be necessary or proper to be made on behalf of the Association.

The Treasurer shall enter regularly on the books of the Association a full and accurate account of all moneys received and obligations paid or incurred and, upon request by any trustee, shall exhibit such books to such trustee at a reasonable time at the offices of the Association.

The Treasurer shall be responsible for the timely filing (by hard copy or electronically) of all forms with the Internal Revenue Service and the New Jersey Division of Consumer Affairs required to maintain the Association’s exempt status with respect to income taxes and sales taxes. The Treasurer shall maintain hard copies of all tax related filings in a single binder along with copies of any correspondence with the Internal Revenue Service and the

State of New Jersey. This binder shall also include copies of all tax related Board minutes and any other documentation prepared to memorialize actions taken to fulfill the responsibilities described in Section D of Exhibit 1 to these Bylaws.

Secretary – who shall be in charge of such of the Association’s books, documents and papers as the Board of Trustees may determine and shall prepare and keep a true record of all regular and special meetings of the Association and perform all other functions usual to the office.

Board of Trustees – which shall consist of the Officers and Trustees, any one of whom may preside at a meeting in the absence of the President and Vice President.

Section 2. Officers and Trustees of the Association must be members in good standing and at least 18 years of age.

Section 3. Officers shall serve for a term of two years and cannot serve for more than three (3) consecutive terms. Elections of officers will occur at the expiration of each term, unless current incumbent is running unopposed in which case election for such Officers will occur at the expiration of the next term.

### ARTICLE III Trustees

Section 1. The Association’s Board of Trustees will be comprised of a minimum of five (5) and a maximum of thirteen (13) Trustees at any time.

In the event of the inability of any officer to continue in office for the year for which he or she is elected, The Board of Trustees has the authority to appoint by a majority vote any member of the Association to fill the unexpired term.

Section 2. The Executive Committee shall consist of four (4) trustees and the President who shall be the Chairperson; the functions of the Executive Committee shall be those of the Board of Trustees between meetings of the Board; three members present at any meeting of the Executive Committee shall constitute a quorum; the members of the Executive Committee shall be elected by the Board of Trustees.

Section 3. All of the corporate powers of the Association shall be exercised by the Board of Trustees, except to the extent specifically provided otherwise by law or by these Bylaws.

Section 4. Trustees must be eighteen years of age or older, and shall be selected for their willingness to serve the Association and for the knowledge and skills they may contribute to the conduct and affairs of the Association.

Section 5. The Board of Trustees may fill any vacancy among the Trustees, including a vacancy caused by death, incapacity, removal, resignation, ineligibility, or otherwise, by appointing a successor trustee to serve the remainder of the vacating trustee's term. The trustees may fill a vacancy even if they lack a quorum to decide other matters. Any person elected or appointed to fill a vacancy on the Board of Trustees shall hold office until the later of the expiration of his or her predecessor's term or the date on which a successor is duly elected and assumes office.

Section 6. Trustees shall attend Board meetings regularly, serve without remuneration for their services as trustee, and shall advise the Board of any conflict of interest that might affect their ability to serve in an unprejudiced manner.

Section 7. Any trustee of the Association may be removed from office with cause by an affirmative vote of the majority of the other trustees then in office.

Section 8. Trustees shall serve for a term of three years.

Section 9. No Trustee shall serve for more than three consecutive full three-year terms. Any Trustee appointed to serve the remainder of a former Trustee's unexpired Term shall not serve for more than nine consecutive years including any unexpired term(s). A former Trustee who has not been a Trustee for a period of a full three-year term is eligible to serve again for three consecutive three-year terms.

#### ARTICLE IV Committees

Section 1. The President, with the advice and consent of the Board of Trustees, shall have the authority to form committees at any time during his or her term of office. Non-trustees shall be eligible for appointment as members of committees (except as members of the Executive Committee, if any), but may not serve as the chairperson of any committee in the absence of specific authorization by the Board of Trustees. In addition, non-trustee committee members may not vote in connection with any action that may bind the Association.

Section 2. The President shall appoint a Finance Committee from the Board of Trustees, which shall have the following responsibilities:

- a) Establish controls over the Association's financial activities to mitigate the risk of embezzlement and/or encumbrance of the Association's assets, (Exhibit I of these By Laws).
- b) Conduct such procedures as it deems necessary to obtain reasonable assurance that such controls were operating as of each calendar year-end, and report to the Board of Trustees on the results of such procedures.
- c) At its discretion, and without requiring approval from the Treasurer, engage an outside Certified Public Accountant to conduct an audit (or, if deemed appropriate, some lesser level of attestation reporting) of the Association's Treasury Reports.

Article V  
Insurance and Indemnification

Section 1. The Association shall maintain insurance to cover the risk of fraud, embezzlement and/or encumbrance of its assets, as well as the risk of potential liability of its Trustees.

Section 2. The Association agrees to indemnify, defend and save harmless its trustees, officers and committee members from and against all liability, loss, cost or expense (including attorney's fees) by reason of liability imposed upon the Association, arising out of or related to Association's activities, whether caused by or contributed to by the members or any other party indemnified herein, unless caused by the sole gross negligence of the member or any other party indemnified herein.

ARTICLE VI  
Meetings

Section 1. At regular meetings, the following order shall be observed:

- a. Reading and approval of the minutes of the previous meeting.
- b. Reports of Officers
- c. Reports of Committees
- d. Unfinished Business
- e. New Business
- f. Adjournment

Section 2. At all meetings of members, a quorum shall consist of at least eleven (11) members. At all meetings of trustees, a quorum shall consist of at least a majority of the duly elected trustees.

ARTICLE VII  
Amendments

Section 1. This constitution can be amended after a proposed amendment has been given due notice and read at a previous meeting. The amendment will be adopted after ratification by a majority vote of the members present at any regular meeting

Section 2. The Board of Trustees shall have the power to make, alter, amend and repeal the Bylaws of the Association by affirmative vote of a majority of those Trustees present at any duly-convened meeting (except where a greater majority is required by law), or by a unanimous written consent, the proposed alteration, amendment, or repeal shall be specified in the notice of meeting of this Association provided for in Article iii of the constitution.



Barnegat Light Taxpayers' Association  
Exhibit I to the By Laws  
Financial Controls (1 of 2)

The following controls shall be established to mitigate financial risk/or encumbrance of the Association's assets:

A. BANKING

1. All bank accounts shall be in the name of the Association and no account shall have a credit or debit card.
2. All bank accounts shall have the Treasurer and the Vice President as authorized signatories.
3. The Treasurer shall have online access to all Bank Accounts.
4. The Vice President shall receive monthly bank statements via the U.S. Postal Service, and shall be authorized to contact the bank by phone or in person to request additional information at any time.

B. CASH RECEIPTS AND DISBURSEMENTS

1. All checks or cash received by the Association shall go directly to the President or another delegate designated by the President.
2. All checks received by the President (or the President's designee) shall be endorsed to the Association before being given to the Treasurer, or another delegate designated by the Treasurer, for deposit.
3. All disbursements shall be made by the Treasurer; if the Treasurer is unable or unavailable, then by the Vice President.
4. All disbursements in excess of \$5,000.00 shall require signature by both the Treasurer and the Vice President.

C. ACCOUNTING RECORDS

1. The Treasurer shall keep the Association's accounting records, which shall be the basis for periodic (at least quarterly) Treasury Reports. The accounting records shall include:
  - a. detail records of all receipts supported by Bank deposit slips,
  - b. detail records of all disbursements supported by paid invoices, receipts, Board authorizations, or other evidence of the validity of the disbursement,
  - c. checkbooks, and copies of checks written,
  - d. a periodic reconciliation of all checking accounts and an annual 'proof of cash' to validate that all items recorded in the accounting records are also recorded in the bank accounts and that all items recorded in the bank accounts are recorded in the accounting records.

Barnegat Light Taxpayers' Association  
Exhibit I to the By Laws  
Financial Controls (2 of 2)

2. Within 90 days of the Association's year-end (December 31), the Treasurer shall provide the Board of Trustees with the Treasury Report as of and for the year ended December 31. The Treasury Report shall show the beginning fund balance, receipts for the year in reasonable detail, disbursements for the year in reasonable detail, and the ending fund balance, along with comparable information for the prior year.
3. Within 90 days of the Association's year-end, the Treasurer shall provide the Finance Committee with a hard copy file of the records described in C. 1 a-d, above along with supporting materials to facilitate conduct of the procedures described in Article IV, Section 2 (b) of the By Laws. Such records and support shall be retained by the Board of Trustees for at least three years beyond the date the Federal tax return is filed for that year.

#### D. TAX MATTERS

1. The filed tax forms, and any documentation confirming the filings, shall be presented to the Board of Trustees at their first meeting following the date of such filings. Further, the Treasurer shall provide to the Board copies of all correspondence with the IRS and the State of New Jersey. The Board minutes shall acknowledge receipt and review of all such filings and correspondence.
2. The President shall be responsible for overseeing the Treasurer's fulfillment of the tax filing responsibilities. This oversight shall include reporting to the Board, prior to the tax filing deadlines, that the Treasurer is prepared to make the tax filings on a timely basis.