

# Bylaws of FRIENDS OF DAISY MOUNTAIN TRAILS

## **ARTICLE I: NAME**

### Section 1. Name of the Organization

The name of the organization shall be FRIENDS OF DAISY MOUNTAIN TRAILS (herein referred to as FDMT).

### Section 2. Agent

FRIENDS OF DAISY MOUNTAIN TRAILS (FDMT) shall at all times maintain in the State of Arizona a registered agent, whose business office shall be the registered office of the registered agent.

## **ARTICLE II: MISSION, GOALS, RELEVANT LAW**

### Section 1. Mission

FRIENDS OF DAISY MOUNTAIN TRAILS will work with our communities and partner organizations to establish recreational trails on Daisy Mountain.

### Section 2. Goals

The goals of the organization shall be:

- To design a system of recreational trails for hiking, biking, and equestrian use on Daisy Mountain connected, where feasible, to other recreational trails and facilities in the area;
- To acquire long-term rights to the land for the trail system;
- To build a trail system on Daisy Mountain;
- To arrange for stewardship of the trail system in perpetuity;
- To recruit volunteers to provide services and support; and,
- To generate the resources to provide financial support for these goals.

### Section 3. Relevant Law

The FRIENDS OF DAISY MOUNTAIN TRAILS nonprofit corporation formed under the relevant laws of the State of Arizona shall operate in accordance with the meaning and provisions of Section 501(c)(3) of the Internal Revenue Code and the regulations issued there under.

## **ARTICLE III: BOARD OF DIRECTORS**

### Section 1. Responsibilities and Duties

Subject to the provisions of the Arizona Statutes for Arizona nonprofit corporations, the business and affairs of FDMT shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (“Board”). The Board may delegate the management of the activities of FDMT to any person or persons, management company or committee however composed, provided that the activities and affairs of FDMT be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

The overall duties of the Board of Directors shall include but not be limited to the following:

- To meet on a regular basis as set out by these Bylaws.
- To oversee the operational and financial health of FDMT.
- To insure that the Mission and Goals of FDMT are conducted with utmost integrity and focus.

### Section 2. Directors

- The Board shall consist of not fewer than seven (7) Directors and not more than eleven (11) Directors, at the discretion of the then-current Board.
- Each Director shall be a natural person at least 18 years of age.
- A minimum of one (1) Director representing each of the following communities shall be included on the Board:
  - Anthem, Arizona

- Desert Hills, Arizona
- New River, Arizona
- The first Board shall be appointed at the organization meeting of FDMT. Four (4) Directors shall be appointed for an initial term of two (2) years and three (3) Directors shall be appointed for an initial term of one (1) year. Thereafter, Directors shall serve a term of two (2) years and may be re-appointed for up to four (4) consecutive terms.
- The Board may, by a vote of 2/3 of the full Board, add a new Director to the Board subject to the maximum number of Directors as specified in this Section 2 of Article III. A Director added in this manner shall serve an initial term expiring at the next annual meeting and shall be eligible for re-election subject to process and term limits of this Section 2 of Article III.
- Subsequent nomination and election or re-election of the Directors whose terms are expiring shall be made by affirmation of the Board at the beginning of the annual meeting of the Board.
- Newly elected or re-elected Directors shall be seated immediately after affirmation by the Board at the annual meeting of the Board.
- Any director may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date such notice is received or at a later time specified therein. Acceptance of such resignation shall not be necessary to make it effective.
- In the best interest of FDMT, any Officer or Director may be removed by affirmative vote of 2/3 of the full Board. The Director whose qualification is before the Board shall not be eligible to vote or participate in the deliberations.
- The Board shall nominate and appoint a replacement Director in the event that a Director vacates or is removed from his/her position on the Board for any reason.
- Directors shall receive no compensation for their services but may, by resolution of the Board, be allowed reimbursement for expenses actually and reasonably incurred on behalf of FDMT.
- The personal liability of the Directors to FDMT for monetary damages for breach of fiduciary duty as a director is eliminated except for the following:
  - Any breach of the Director's duty of loyalty to FDMT;

- Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law;
- A violation of ARS Section 10-1026 regarding the prohibition of shares of stock and dividends;
- Any transaction from which the Director derived an improper personal benefit; and
- A violation of ARS Section 10-1097 and director conflicts of interest as defined in the FDMT Conflict of Interest policy.

### Section 3. Officers

The Officers of the Board of Directors shall include:

- President;
- Vice President;
- Secretary; and,
- Treasurer.

No Director may hold two or more offices simultaneously.

### Section 4. Officer Duties

President:

- Preside over all meetings of the Board of Directors;
- Set time, place and agenda for all FDMT meetings; and,
- Serve as primary representative of FDMT, unless designated to another Director.

Vice President:

- Perform all duties and responsibilities of the President in the absence of the latter; and
- Perform such other duties as the President and Board of Directors may authorize.

Secretary:

- Record the minutes of each meeting of the Board of Directors;
- Make available the minutes to the Board of Directors within a week after each such meeting;

- Maintain a journal of all FDMT meeting minutes and correspondence;
- Handle correspondence of FDMT as directed by the President;
- Issue all official notices; and
- Supervise the property of FDMT.

Treasurer:

- Collect all monies incoming to FDMT;
- Deposit FDMT funds in the bank approved by the Board of Directors;
- Keep the books of accounts of FDMT;
- Provide password access to any and all accounting records to the President;
- Make a Treasurer's report at all meetings of the Board of Directors, with a copy for the Secretary;
- Arrange for payment of accounts owed by FDMT;
- Prepare and file federal, state and local tax and regulatory reports subject to Board approval; and,
- Prepare the books for an audit prior to each annual meeting of the Board.

**ARTICLE IV: FDMT COMMITTEES**

Section 1. Establishment of Committees

- The Board may establish or dismiss any committees it deems necessary to fulfill the mission and goals of FDMT.
- The President shall nominate members and a Chair for each committee and, along with nominations from other Directors, present the names of the nominees to the Board for approval.
- The Board will provide each committee with a statement of purpose and reporting requirements.

Section 2. Standing Committees

The initial Standing Committees and their respective purpose shall include:

- Trails – Arrange for and oversee design, construction and maintenance of trails to achieve the goals of FDMT.

- Development – Identify and implement programs and events to solicit funds for achieving the goals of the FDMT.
- Operations – Recruit volunteers, maintain books of record, interface with legal advisors, maintain contact database, develop and provide all forms of internal and external communications.

### Section 3. Committee Chairs

- Committee Chairs plan and conduct committee meetings.
- Each Committee Chair will make a periodic report to the Board of Directors regarding the current status of activities.
- Each Committee Chair shall prepare report of activities and accomplishments for the annual meeting.

### Section 4. Ad Hoc Committees

- The President may appoint Ad Hoc Committees.
- Ad Hoc Committees are automatically dismissed after preparing and presenting a final report to the President and Board of Directors.

## **ARTICLE V: NOMINATION AND AFFIRMATION OF OFFICERS**

### Section 1. Candidates

- Candidates for offices shall be elected by affirmation of the Board at the annual meeting.
- Officers shall serve for a term of one year.
- Officers shall begin their terms at the annual meeting where affirmed.
- An Officer may succeed him/herself at the discretion of the Board.

### Section 2. Affirmation of Officers

- The affirmation of Officers shall be held at the annual meeting immediately following the seating of newly elected or re-elected Directors.
- Election of Officers shall be by secret ballot.

- Only Directors present in person or via telephone may vote. There shall be no voting by proxy.
- In the event of a tie vote, a second secret ballot will be taken. In the event of a second tie vote, the winner shall be determined by a flip of a coin.

### Section 3. Annual Meeting Announcement

- At least four (4) weeks prior to the date of the annual meeting, the Board of Directors shall issue a call for candidates.
- Those answering the call will be presented for affirmation at the annual meeting.
- At the annual meeting the President shall receive from the floor further nominations with the consent of the said nominees.

## **ARTICLE VI: MEETINGS**

### Section 1. Annual Meeting

- The annual meeting of FDMT shall be held during the month of February each year at a time and place to be designated by the President. A written notice of the time and place of this meeting shall be communicated at least 30 days prior to the meeting. The notice shall be delivered by electronic written or voice communications (e.g., phone, facsimile or email) or, if an electronic communication is not possible, by US mail.
- Whenever elections are to be held, the list of nominees pursuant to Article V (Nomination and Affirmation of Officers) of these bylaws shall be made part of this notice.
- The Treasurer shall prepare and file an annual report per the requirements of the Arizona Corporation Commission.

### Section 2. Regular Meeting Schedule

Regular meetings of the FDMT Board of Directors shall be minimally six times per year or more frequently on an ad hoc basis as determined by the President.

- Board members shall receive five (5) days' notice of regularly scheduled meetings. The notice shall also be delivered by electronic, written or voice communications (e.g., phone, facsimile or email) or, if an electronic communication is not possible, by US mail.
- Notice of each meeting, which shall state the place, day, hour of the meeting and the reason for the meeting.
- Notice given by electronic communications shall be deemed to be delivered upon successful transmission of the message. Notice given by US mail shall be deemed to be delivered three business days from being deposited in the United States mail.

### Section 3. Special Meetings

A special meeting of the Board may be called by the President or by two (2) Directors. Notice of such special meeting shall be given no less than 48 hours in advance and may be communicated electronically or via telephone.

### Section 4. Board of Directors Quorum and Voting

- The presence of no less than a simple majority of the Board of Directors shall constitute a quorum.
- Electronic and telephonic attendance at a meeting of the Board of Directors is acceptable.
- Unless a higher vote is specified herein, decisions or actions taken or adopted by a majority of the Directors present and voting at a meeting at which a quorum is present shall constitute the action of FDMT.
- Any action of the Directors may be taken without a meeting if unanimous consent in writing or via email is obtained and filed with the minutes of FDMT.

### Section 5. Conduct of Meetings



- At the discretion of the President, meetings of the Board may be conducted following parliamentary process as defined in Robert's Rules of Order, latest version.
- All motions from Directors must receive a second before a vote of the Board may take place.

## **ARTICLE VII: FINANCIAL AFFAIRS**

### Section 1. Fiscal Year

The fiscal year of FDMT shall end on December 31 of each year.

### Section 2. Bank Accounts

The funds of FDMT shall be deposited in one or more banks or financial institutions as designated by the Board of Directors.

### Section 3. Contracts

The Board shall have the right to contract with any Person for the performance of various duties and functions. Approved contracts shall be signed by the President or Board-approved designee in the absence of the President.

### Section 4. Books and Records

- FDMT shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the Board of Directors and Committees.
- Books, records and minutes shall be in written or electronic form and available to any Director upon request.

### Section 5. Dispersal of Funds

- All dispersals of FDMT funds shall be approved by the Board.

- The Board shall establish two (2) Directors (one of whom shall be the Treasurer) as Designated Signatories for signing all disbursements of FDMT funds.
- Funds dispersed by FDMT shall be used solely for the purposes of fulfilling the mission and goals of FDMT.
- Approved dispersal requests shall be signed according to the following requirements:
  - For dispersals less than \$100, one (1) Designated Signatory.
  - For dispersals of \$100 or greater, two (2) Designated Signatories.

#### Section 6. Audits

- The Board shall establish an annual, ad-hoc Audit Committee to perform an audit of the books and records.
- The Audit Committee shall engage an external, independent accountant to perform the audit of books and records if so required by federal or state agencies.
- The Audit Committee shall provide a completed audit report to the Board within 14 days of completion of an audit.

#### **ARTICLE VIII: AMENDMENTS**

- These bylaws may be amended at any meeting of the Board of Directors, where a quorum is present and voting, provided that notice of the nature of the proposed amendment is noticed to all Directors at least ten (10) days in advance of the meeting.
- Adoption of amendments shall require approval of (2/3) of the full Board.

#### **ARTICLE IX: PARTNER ORGANIZATIONS**

FDMT recognizes the value of associations and collaborations with local organizations that share common mission and goals with FDMT. These organizations will be considered Partner Organizations. Partner Organizations may be asked to appoint a non-voting representative – in

addition to any duly elected Director(s) from the organization already on the Board – to attend Board meetings and FDMT events.

#### **ARTICLE X: DISSOLUTION**

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of its assets exclusively for the purpose of the corporation in such manner, or to such organizations organized and operated exclusively for charitable, education, religious or scientific purpose as shall at the time qualify as an exempt organization or organizations under IRC §501(c)(3) (1954) (or the corresponding provisions of any future United States Internal Revenue Law) as the Board of Directors shall determine. Any such assets not disposed of shall be disposed of by the Superior Court of the county in which the principal office of the corporation is then located, exclusively for such purpose or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

#### **ARTICLE XI – STATEMENT OF NONDISCRIMINATION**

The corporation shall not discriminate against any person in the hiring of personnel, election of board members, provision of service to the public, the contracting for or purchasing of services or in any other way, on the basis of race, color, sex, national origin, disabling condition, age, or any other basis prohibited by law. This policy against discrimination includes, but is not limited to, a commitment to full compliance with Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and any subsequent amendments to these statutes.

**SIGNATURE PAGE**

These Bylaws approved and adopted by the Board of Directors of Friends of Daisy Mountain Trails on the \_\_\_\_ day of \_\_\_\_\_, 2016.

Signed: \_\_\_\_\_  
President, Board of Directors

Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Vice President, Board of Directors

Print Name: \_\_\_\_\_ Date: \_\_\_\_\_