

# INNER SUNSET MERCHANTS ASSOCIATION, INCORPORATED BYLAWS

Adopted on February 8, 1928 / Restated on April 01, 2019

The Inner Sunset Merchants Association, also referred to as ISMA, is comprised of representatives from retail, professional services, restaurants, nonprofits and other businesses in the Inner Sunset Neighborhood Commercial District. The Inner Sunset is defined as that area inside the following boundaries: from Arguello Blvd. west to 19th Avenue, and from Fulton Street south to Moraga Street in San Francisco, California.

## ARTICLE I: Purpose and Governance

1.1 *Purpose.* The principal objectives are:

- A) to build unity among merchants in order to promote, protect and preserve conditions that encourage growth of businesses and overall economic development in the Inner Sunset District;
- B) to provide a forum in which merchant members of the Inner Sunset business community may share information, interests and/or concerns with each other;
- C) to interact in a structured way with representatives of city, county, state, and federal government bodies and the San Francisco community at large;
- D) to support activities believed to be generally beneficial to the Inner Sunset community.

1.2 *Governance.* The Board of Directors (“Board”), which shall be comprised of elected officers and board members, have the power to conduct, manage and control the affairs and business of the ISMA in accord with these Bylaws.

1.3 *Mailing Address.* The ISMA shall maintain its principle office in the Inner Sunset District in the City and County of San Francisco, California.

## ARTICLE II: Board of Directors

2.1 *Composition.* The Board includes five elected officers, and may be comprised of no more than eleven directors, collectively they shall be known as the Board of Directors. Elected officers and board members shall have one (1) vote each. The Board of Directors shall serve without financial compensation.

2.2 *Duties and Policy.* The Board shall have power to conduct, manage and control the affairs and business of the ISMA, subject to the right of the merchant members as enumerated by these bylaws. All actions of the Board shall be done with a majority vote of the Board.

The Board may delegate the management of ISMA activities, and may authorize the payment of reasonable expenses incurred by any, person or persons, Management Company, accountant, or committees that are needed, provided that the ISMA shall be managed and all powers shall be exercised under the ultimate direction of the Board.

2.3 *Nominations and Elections.* An annual Board Meeting shall be held at a time and place designated by the Board, at which time nominations for officers and board members will be held. A member need not be physically present to be nominated for a position. The Secretary shall record all nominations.

A ballot shall include the list of nominees for each office and be distributed, by written or electronic notice, to each merchant member in good standing. Ballots shall be returned to the Secretary within 30 days of its postdate. Ballots will be counted by two Board appointed merchant members and the current Board of Directors - due to a possible conflict of interest, any person(s) nominated will not participate in the vote count. The results will be announced and new officers and board members will be installed at the following board meeting.

2.4 *Terms of Office.* All officers and board members shall serve two-year terms, but are eligible for re-election for up to five consecutive terms.

2.5 *Quorum.* A quorum of the Board shall consist of at least fifty-one percent (51%) of the Board positions that are filled. If meeting with the minimum number of directors to constitute a quorum, all must agree for the vote to pass.

2.6 *Non-Liability of Directors.* The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

2.7 *Removal and Resignation.* Any board member may be removed by a two-thirds majority vote of the Board whenever in its best judgment the best interests of the ISMA. Any board member may resign at any time. Upon the death, resignation, or removal the Board shall elect a temporary replacement for the remainder of the term.

### **ARTICLE III: Officers and Committees**

3.1 *Officers.* The officers shall consist of five officers; ISMA President, Vice President of Communications, Vice President of Membership, Secretary and Treasurer. The officers shall act for and on behalf of the Board when the Board is not in session, but shall report to and be responsible to the Board for its actions.

3.2 *Duties of Officers.*

- i) **President:** The general manager and chief executive officer of the ISMA and has, subject to the control of the Board, general supervision of ISMA activities. The President shall preside over all meetings of the merchant members and all meetings of the Board, and shall exercise such powers as are customary in such an office.
- ii) **VP Communications:** Facilitates communications between the ISMA board and ISMA membership. In the absence of the President, the Vice President of Communications shall preside over all meetings, and assume the powers of the President.
- iii) **VP Membership:** Seeks new merchant members through annual membership activities and communications.

- iv) **Secretary:** Keeps minutes of all Board proceedings and general merchant member meetings; maintains appropriate file(s) of meetings minutes and records.
- v) **Treasurer:** Collect and/or account for annual dues, bills, donations, and other monies, which shall be deposited immediately into the ISMA's bank account or other financial institution, as designated by the Board; prepare annual budget for approval; report on the financial status of the ISMA at each board meeting (either in person or by written report); and ensure that all necessary tax forms, reports and tax returns required by any governmental agency are filed in a timely manner.

3.3 *Committees.* The President, with majority consent of the Board, shall appoint all committees and committee chairs and s/he will prescribe their duties. Committees work under the supervision and approval of the Board. Communications to merchant membership and recommendations made by the committees need Board approval prior to moving forward.

#### **ARTICLE IV: Meetings of the Board**

4.1 *Board Meetings.* The Board shall meet no less that eleven times a year at a date, time and place as established by resolution of the Board. The Board may go into private sessions as appropriate. Written notice of each general, annual or special meeting shall be provided not less than ten (10) calendar days or more than ninety (90) calendar days before the date of the meeting to voting merchant members; with the exception of emergency meetings – special meetings shall be posted within three (3) days. Notice shall state the place, date and hour of the meeting.

4.2 *Special Meetings.* Special Board meetings must have a quorum, and may be called by the President, by any two board members, or by a majority vote of the merchant members who are present at a general membership meeting. In the case of a special meeting, the general nature of the business to be transacted shall be described, and the fact that no other business may be transacted.

4.3 *Merchant Members' Rights.* Board meetings shall be open to merchant members. Merchant members may or may not be given the floor to express their point of view, as the President may rule.

4.4 *Conduct.* The rules contained in "Robert's Rules of Order" shall govern the ISMA in all cases in which they are applicable and in which they are not inconsistent with the foregoing By-laws and the Articles of Incorporation.

#### **ARTICLE V: General Merchant Membership**

5.1 *Membership Categories.*

- i. **Voting Merchant Members:** Members in Good Standing who have paid their dues and are current in any obligations incurred as a condition of membership, including owning or representing a business within the prescribed boundaries. One merchant member equals one vote. Voting merchant members may hold office.

- ii. **Associate Members:** Available to: spouses, family and friends of voting members; retired business people; and former voting members who have moved to another area but wish to stay involved with supporting the ISMA's goals. The amount of dues payable by Associate Members shall be determined by a dues schedule adopted by the ISMA. Associate members may not hold any office and do not have a vote.

*5.2 Good Standing.* A merchant member is in good standing if the member's account is current with respect to payment of fees, dues or assessments owed to the ISMA and is in compliance with the Bylaws. Any merchant member who shall be in arrears in the payment of any installment of fees, periodic dues, or assessments more than thirty (30) calendar days after their due date shall not be in Good Standing and shall automatically be suspended from all rights and privileges of membership, including, but not limited to, the right to vote. A membership which has been suspended for sixty (60) calendar days shall be terminated from membership by the Board without further action.

*5.3 Dues:* The amount of dues shall be determined by a dues schedule adopted by the ISMA. The recommended dues amount must be discussed and can only be approved by a majority vote by the merchant members present.

*5.4 General Merchant Membership Meetings.* There shall be a minimum of one general membership meetings in the calendar year.

*5.5 Merchant Membership Roster.* The Board shall use the most recent ISMA membership roster to establish the list of voting merchant members. This roster shall be prepared and maintained by the Secretary.

*5.6 Merchant Member Voting.*

- i. **Procedures:** Voting on an item of ISMA business shall be affirmed in the manner prescribed in "Robert's Rules of Order". Unless a greater vote is required by law, all items are affirmed by a majority vote of the voting merchant members present at a meeting with a quorum.
- ii. **Quorum:** The voting merchant members present at any properly announced meeting shall constitute a quorum.
- iii. **Adjournment:** Meetings of the voting merchant members shall be adjourned by a majority vote of the voting members present.
- iv. **Written Ballot (mail or electronic):** Any action which may be taken at a regular or special meeting of voting merchant members may be taken without a meeting by written ballot if every voting merchant member is solicited. All solicitations of votes by written ballot shall:
  - a. indicates the number of responses needed to meet the quorum requirement;
  - b. with respect to ballots other than for an election of board members, state the percentage of approval necessary to pass the measure or measures; and
  - c. specify the time by which the ballot must be received in order to be counted.Each ballot distributed shall:
  - a. set forth the proposed action;
  - b. provide the voting merchant members an opportunity to specify approval or disapproval of each proposal; and
  - c. provide a reasonable time within which to return the ballot to the ISMA.
- v. **Proxies:** ISMA shall not use proxies for any purpose.

## **ARTICLE VI: Fiscal Policies**

6.1 *Fiscal Policy.* The Board, specifically the Treasurer, shall maintain the records of the ISMA using standard fiscal and bookkeeping practices. Every board member and merchant member shall have the right to request to review the ISMA records, including minutes of all meetings, and all financial records. The Board shall have the power to:

- i. formulate and present an annual budget for approval by the voting merchant membership.
  - a. At a minimum, a budget should include the annual operating costs associated with running the ISMA and any special projects being considered. Usual operating costs include the cost of meetings, newsletters, holiday decorations and any other repetitive expenses.
  - b. Merchant members shall approve proposed special projects and define a specific dollar amount for special project expenditures.
- ii. borrow money or incur indebtedness consistent with the approved budget.

## **ARTICLE VII: Amendments and Dissolution**

7.1 *Bylaw Amendments.* These bylaws may be amended when necessary by two-thirds majority of the board of directors. Proposed amendments must be submitted to the Secretary to be sent out with regular Board announcements.

7.2 *Disposition of Property on Dissolution.* The ISMA is organized pursuant to the general Non-Profit Corporation Law of the State of California and does not contemplate pecuniary gain or profit to the merchant members thereof and it is organized for non-profit purposes. The property of the ISMA is irrevocably dedicated to non-profit purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any board member or merchant member thereof or to the benefit of any private persons. On the dissolution or winding up of the ISMA, if assets are remaining after payment of, or provisions for payment of, all debts and liabilities of the ISMA, they shall be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for non-profit or charitable purposes.