

# RENTAL PROPERTY OWNERS ASSOCIATION OF KENT COUNTY, MICHIGAN

## BYLAWS

*As Amended November 14, 2006*

### ARTICLE I

#### General

- 1.1 Name. This organization is incorporated under the laws of the State of Michigan and shall be known as the Rental Property Owners Association of Kent County Incorporated (RPOA).
- 1.2 Purpose. The purpose of the Rental Property Owners Association of Kent County (RPOA) shall be to: provide our members guidance, education, information and support to assist them with effectively and efficiently managing their rental property investments; encourage our members to provide quality, affordable and safe rental housing to qualified tenants within the West Michigan area; and, represent our membership as a liaison to local, state and national governing bodies as well as the community at large. The Association shall be not-for-profit and have a representative form of government; making provisions for the collection of fees for the express purpose of providing services to the members of the Association, which services shall be limited to the purpose from time-to-time established by the membership. The Association shall have the power to purchase, hold and convey any real estate that may be necessary and proper for its accommodation in the transaction and conduct of its business and objectives.
- 1.3 Limitation of Methods. The RPOA shall observe all local, state and federal laws which apply to a non-profit organization as defined in Section 501(c)(6) of the Internal Revenue Code.

### ARTICLE II

#### Membership

- 2.1 Classes. This organization shall have four classes of members designated as: Regular, Associate, Honorary and Affiliate Charter members.
  - 2.1.1 Regular Membership. Persons eighteen (18) years of age or older or legal entities who own and, or manage rental property shall be eligible for membership in this Association.
  - 2.1.2 Associate Membership. Associate members shall be those persons eighteen (18) years or older or legal entities who have an interest in the objectives of the organization but do not own and, or manage rental property.
  - 2.1.3 Honorary Membership. Distinction in public and RPOA affairs shall confer eligibility to Honorary membership. Honorary members shall have all the privileges of members, except the right to vote, and shall be exempt from payment of dues. The Board of Directors shall confer or revoke Honorary membership by a majority vote.
  - 2.1.4 Affiliate Charter Members. In order to encourage the development, growth, and stability of rental property associations throughout the State of Michigan, the RPOA shall maintain an Affiliate Charter Member program.
    - 2.1.4.1 Membership. Any formally organized, incorporated association of rental property owners representing a designated geographical area shall be eligible for an Affiliate membership. Except at the discretion of the Board of Directors, no two Affiliate associations may

represent the same geographical area, i.e. county, city, town, etc. The Board of Directors may terminate an affiliate membership for any reason at any time.

2.1.4.2 Dues. The annual Affiliate member dues payable in advance to the Rental Property Owners Association of Kent County shall be the sum of an annual Affiliate membership fee and a per member fee in an amount as determined from time-to-time by resolution of the Board of Directors of the Rental Property Owners Association of Kent County.

2.1.4.3 Affiliate Services. Affiliate members shall have access to the following RPOA services:

1. credit reports,
2. forms,
3. legal assistance,
4. technical assistance,
5. newsletter,
6. web site,
7. and other services as approved by the Board of Directors from time-to-time.

2.2 Dues. The annual dues payable in advance to the organization by its members (Regular, Associate, and Affiliate Charter) is the amount determined from time-to-time by resolution of the Board of Directors.

2.3 Assessments. Memberships are subject to assessment on resolution of the Board of Directors declaring a particular project to be extraordinary.

2.4 Voting. In any proceeding in which voting by members is called for, each Regular member shall be entitled to one vote, and each member firm, association or corporation shall be entitled to one vote. Associate, Honorary or Affiliate Charter members are not entitled to a vote on matter submitted to a vote of the membership.

2.5 Proxy. No proxy voting shall be permitted until such time as the Board of Directors, by special resolution, adopts a procedure for taking such votes.

2.6 Termination. A Regular, Associate or Affiliate Charter membership will terminate upon the occurrence of any of the following events:

- A. Receipt by the Board of Directors of a verbal or written resignation of a member.
- B. The failure to pay dues/assessments on or before their due date.
- C. The failure of a member to retain the qualification of membership.
- D. The failure to abide by the Association's Code of Ethics.

ARTICLE III

Code of Ethics

3.1 Members of the Association agree to abide by the following Code of Ethics:

- A. abides by the Bylaws of the RPOA;
- B. pay dues on time;
- C. conducts themselves in a professional, responsible and considerate manner;
- D. conducts their business in an ethical manner;
- E. and abide by all applicable federal, state, and local laws.

ARTICLE IV

Meetings

- 4.1 Meetings. Meetings of the members will be held at such a time, date and place as designated by the Board of Directors on a regular basis. An annual meeting of the members will be held in March of each year, the time, date and place to be specified by the Board of Directors.
- 4.2 Notice of Meetings. Written notice shall be given to each member entitled to vote by the Organization's monthly newsletter or such other means as the Board of Directors shall determine. Notice shall be given not less than ten (10) nor more than sixty (60) days preceding the meeting.

ARTICLE V

Board of Directors

- 5.1 Election. The Board of Directors shall be composed of twelve (12) members who shall be elected by the Regular membership at the Annual Membership Meeting. The terms of office shall be three (3) years, with the terms being staggered so that one-third (1/3) of the Board (four (4) members) shall be elected each year. The new members so elected to the Board shall be seated and become members of the Board at the conclusion of the regular Board Meeting in April. Board officers will also be elected at the conclusion of the regular Board Meeting in April. Directors shall be limited to serving two consecutive terms. Directors who have served two consecutive terms may not be elected to a new term of office until one year has elapsed from the end of the previous term.
- 5.2 Election Procedure.
  - 5.2.1 Nominating Committee. At the regular November Board meeting, the President shall appoint, subject to approval by the Board of Directors, a Nominating Committee of three (3) members in good standing of the RPOA. The President shall designate the chairperson of the committee.

At the December Board meeting, the Nominating Committee shall present to the Vice President a slate of candidates to serve three-year (3) terms to replace the directors whose regular terms are expiring. Each candidate must be an active member in good standing and must have agreed to accept the responsibility of a directorship. No Board member who has served two consecutive three-year (3) terms is eligible for election for a third term. A period of one (1) year must elapse before eligibility is restored.
  - 5.2.2 Publicity of Nominations. Within 30 days of receipt of the report of the Nominating Committee, the Vice President shall notify the membership by mail of the names of persons nominated as candidates for directors and the right of petition.
  - 5.2.3 Nominations by Petition. Additional names of candidates for directors can be nominated by petition bearing the genuine signatures of at least two (2) qualified members of the RPOA. Such petition shall be filed with the Nominating Committee within five (5) days after notice has been given of the names of those nominated. The determination of the Nominating Committee as to the legality of the petition(s) shall be final.
  - 5.2.4 Determination. If no petition is filed within the designated period, the nominations shall be closed and the nominated slate of candidates shall be arranged on a ballot. Instructions will be to vote for four candidates only. The Vice President shall mail this ballot to all active members at least fifteen (15) days before the regular March Board meeting.

The ballots shall be marked in accordance with instructions printed on the ballot and returned to the RPOA office within ten (10) days of the postmarked date on the mailed ballot. The Board of Directors shall at its regular March Board meeting declare the four candidates with the greatest number of votes, as reported by the judges, elected.

- 5.2.5 Judges. The President shall appoint, subject to the approval of the Board of Directors, at least three (3), but not more than five (5), judges who are not members of the Board of Directors or candidates for election. One will be designated chairperson. Such judges shall have complete supervision of the election, including the auditing of the ballots. They shall report the results of the election to the Board of Directors.
- 5.3 Board Meetings. Board of Directors shall meet on a regular basis at such time and place as the Board shall determine, and at special meetings as called by the President. Notice for special meetings must be given to all Board members.
- 5.4 Board: Powers, Duties and Responsibilities. The Board of Directors shall have the duty to exercise supervision over all business of the Association. It shall have the power to transact all business, including business referred to it at the Annual Meeting. It shall prescribe the form of applications for membership, shall approve or reject applications, and pass on all matters pertaining to the collection of fees required for effective operation of the Association, and audit all bills for the same, via acceptance of the Treasurer's report. The Board shall exercise a general supervision over all the books, accounts, money, and property for the Association, call all meetings and perform functions as may from time-to-time be imposed on it by the Association. The board shall make a report of its proceedings through its President, to the Membership. Any member of the Association may attend the meetings of the Board of Directors. The Board shall authorize the President and Treasurer to sign contracts, pay accounts, and perform such other administrative duties as are required, except that such contracts shall first have been approved by the Board of Directors. The Treasurer shall be bonded in an amount to be determined by the Board. The Treasurer and one other officer of the Board must sign checks exceeding one thousand dollars (\$1,000).
- 5.5 Vacancy. If a Board position becomes vacant, the vacancy shall be filled by a majority vote of the Executive Committee. All Regular members in good standing are eligible to fill the vacated Board position.
- 5.6 Removal by Board. A Board member may be removed from office by a two-thirds majority of the other Board members for cause including, but not limited to, dereliction of duty or failure to abide by the Code of Ethics specified in Article III. Such Board member shall be given at least fifteen (15) days written notice of the pending action and an opportunity to be heard at the Board meeting scheduled to decide such question. If removed, the vacancy shall be filled as provided for in Article V, Section
- 5.5. When a Board member is absent from two (2) consecutive meetings, they will be notified of the importance of attending Board meetings and notified that their position on the Board is at risk. When a Board member is absent from three (3) consecutive Board meetings or four (4) Board meetings in any twelve (12) month period, it will be deemed that the Board member has effectively resigned their position on the Board of Directors. No further action is required by the Board to accept a resignation effected by failure to attend Board meetings.
- 5.7 Removal by Regular Membership. The Regular membership of the Association may recall or remove a Board member by the following procedure: At any regular monthly Membership Meeting, upon motion made and carried by two-thirds of the Regular members then attending. Grounds for removal shall include, but not be limited to, dereliction of duty or failure to abide by the code of ethics specified in Article III. If the motion passes, then the matter shall be placed on the agenda for the next regularly scheduled Membership Meeting with at least fifteen (15) days written notice to the subject Board member and notice to the Regular membership by mail. A Board member may be removed from office only if two-thirds of the majority of the members present and voting at said meeting votes for the removal. A vacancy thus created shall be filled as provided for in Article V, Section 5.5. The Regular membership may not remove more than two-thirds of the Board of Directors during a regular monthly Membership Meeting.

## ARTICLE VI

### Officers

- 6.1 Officers. The officers of the Association shall be President, Vice President, Treasurer, and Secretary. The Board of Directors shall elect these officers, annually in April.

- 6.2 Duties of President. It shall be the duty of the President to preside over meetings of the Association and of the Board of Directors and to co-sign checks and contracts as necessary. The President shall, with advice and counsel of the Vice President, select all committee chairpersons; assist in the selection of committee personnel, subject to approval of the Board of Directors. The President shall be an ex-officio member of all committees and will make recommendations to committees from time to time and be responsible for providing guidance regarding the general welfare and conduct of the organization. The President shall be responsible for reporting any action that is contrary to the Bylaws and/or parliamentary law and procedure to the Board of Directors. The President will appoint delegates and alternates to serve on other boards or committees as deemed appropriate. The President, jointly with the Treasurer, shall be responsible to insure annual compliance with Federal and State non-profit status rules, regulations and laws.
- 6.3 Duties of the Vice President. It shall be the duty of the Vice President to assume the duties of the President in his/her absence. The Vice President will also be considered the temporary standing committee chairperson, and will assume duties of such until a replacement has been found, or will appoint a member of that standing committee as temporary chairperson until a replacement has been found. The Vice President will also assume the duties of any officer that leaves his or her post until a replacement has been found.
- 6.4 Duties of the Secretary. It shall be the duty of the Secretary to cause to be prepared notices, agendas and minutes of meetings at which official business of the Association is or has transpired. All minutes are to be submitted for approval at the next regular Board meeting and copies filed in the Association office.
- 6.5 Duties of the Treasurer. It shall be the duty of the Treasurer to keep all financial records of the Association, sign all checks, maintain an approved up-to-date accounting system; to furnish financial reports as may be directed by the Board, and to report on the financial standing of the Association at least annually at a general membership meeting. In the event the Treasurer shall be unable to attend a meeting, said report is to be given to the President in writing, who will present it for review and presentation. The Treasurer shall submit the Treasurer's records for audit to the person(s) selected by the Board to make such an audit. The Treasurer shall be bonded in an amount to be determined by the Board, which bond will be paid for from the funds of the Association. The Treasurer, jointly with the President, shall be responsible to maintain the Association's nonprofit status, annually review and implement insurance coverage's as directed by the Board including casualty, liability, workmen's compensation, and bonding. The Treasurer will request a budget once a year from each standing committee chairperson working with the Board of Directors in establishing allotments to the individual standing committees. The Treasurer will submit a projected budget annually to the Board.

## ARTICLE VII

### Committees

- 7.1 Standing Committees. The RPOA will maintain the following standing committees, each represented by a minimum of three (3) committee members:
- Executive Committee
  - Finance Committee
  - Nomination Committee
  - Membership Program and Education Committee
  - Membership Development Committee
  - Administration Committee
  - Membership Services & Publications Committee
  - Public Relations and Governmental Affairs Committee
- 7.2 Duties of the Executive Committee. The Executive Committee will be composed of the President, Vice President, Secretary, and Treasurer. It will be the duty of the Executive Committee to maintain personnel and other administrative policies in accordance with good business practices or as prescribed by law, carry out an annual review of the Director, review recommendations for merit raises, and address other matters referred to it by the Board of Directors or Director. The Executive Committee will review proposed changes to the Bylaws.

7.3 Duties of the Finance Committee. It will be the duty of the Finance Committee to review and adopt the annual budget for recommendation to the Board, review changes to the budget that would exceed total expenses or income for recommendations to the Board, and maintain a monetary policy that will ascertain the responsible use of RPOA funds.

7.4 Appointment and Authority. The President, by and with the approval of the Board of Directors, shall appoint all committee chairpersons. The President may appoint such ad hoc committees and their chairpersons as deemed necessary to carry out the program of the RPOA. Committee appoints shall be at the will and pleasures of the President and shall serve concurrent with the term of the appointing President, unless the Board of Directors approves a different term.

It shall be the function of committees to carry out actions assigned to it in the Strategic Plan, make investigations, conduct studies and hearings, make recommendations to the Board of Directors, and to carry on such activities as may be delegated to them by the Board.

7.5 Limitation of Authority. No action by any member, committee, division, employee, director or officer shall be binding upon, or constitute an expression of, the policy of the RPOA until it shall have been approved or ratified by the Board of Directors.

Committees, excluding the standing committees, shall be discharged by the President when their work has been completed and their reports accepted, or when, in the opinion of the Board of Directors, it is deemed wise to discontinue the committees.

ARTICLE VIII

Finances

8.1 Funds. All money paid to the RPOA shall be placed in a general operating fund. The RPOA shall use its funds only to accomplish the objectives and purposes specified in these Bylaws, and no part of said funds shall inure, or be distributed, to the members of the RPOA.

8.2 Disbursements. Upon approval of the budget, the Director is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. Disbursements shall be by check.

8.3 Fiscal Year. The fiscal year of the RPOA shall close on March 31st of each year.

8.4 Budget. The Finance Committee shall adopt the budget for the coming year by the regular February Board meeting and submit it to the Board of Directors for approval.

8.5 Audit. An audit, review, or compilation of the RPOA finances shall be completed by a Certified Public Accountant every five (5) years or more frequently at the discretion of the Board of Directors. The audit, review, or compilation shall at all times be available to members of the organization within the offices of the RPOA.

8.6 Bonding. The Treasurer and such other officers or employees as the Board of Directors may designate shall be bonded by a sufficient fidelity bond in the amount set by the Board and paid for by the RPOA.

ARTICLE IX

Dissolution

9.1 Procedure. On dissolution of the RPOA, any fund remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations to be selected by the Board of Directors as defined in IRS Section 501(c)(3).

## ARTICLE X

## Parliamentary Authority

- 10.1 Parliamentary Authority. The current edition of Roberts Rules of Order shall be the final source of authority in all questions of parliamentary procedures when such rules are not inconsistent with the charter or Bylaws of the RPOA.

## ARTICLE XI

## Amendments

- 11.1 Revision or Amendments to the Bylaws. The Bylaws may be revised or amended in the following manner: A member or Board member can introduce proposed amendments at any meeting. The Executive Committee will review proposed amendments and make recommendations to the Board of Directors. A proposed amendment being recommended for approval will be published in the next edition of the RPOA newsletter or secretary will have caused to be mailed a copy of the proposed amendment to all members within thirty (30) days following the Executive Committee's recommendation. The Board may consider the new amendment after twenty (20) days from the date of the mailing of either the newsletter or the notice. At that time, if the proposed amendment has passed by a two-thirds majority of the Board members present at a regular Board meeting, it will become binding on all members.

If anytime during the twenty (20) days after the mailing of the notice a regular member in good standing submits a written request to the Board of Directors to have the proposed amendment(s) brought before the entire membership at the next monthly Membership Meeting for vote, the Board of Directors will place the amendment(s) on the next monthly Membership Meeting's agenda to be acted upon by the membership. Amendments brought before the Membership and passed by a two-thirds majority of the members present, will become binding on all members and take precedence over any amendments or revisions adopted by the Board of Directors.

- 11.2 Revision or Amendments to the Articles of Incorporation. The Articles of Incorporation may be revised or amended in the following manner: a member or Board member can introduce proposed amendments at any meeting. If a majority of members present approve for consideration the proposed amendment, the Secretary will then mail a copy of the proposed amendment to all members for their consideration at the next monthly membership meeting. At that time, if the proposed amendment has passed by a two-thirds majority of the members present, it will become binding on all members.
- 11.3 Effective Date. Amendments to the Bylaws and Articles of Incorporation become effective immediately upon adoption.

## ARTICLE XII

## Conflict of Interest

- 12.1 Board of Directors Conflicts of Interest and Fiduciary Responsibility. No contract or other transaction between the Association and one or more of its Directors or any other corporation, firm, association, or entity in which one or more of its Directors is a director or officer or is financially interested shall be either void or void-able because such Director or Directors is/are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves, or ratifies such contract or transaction or because their votes are counted for such purpose, if:
- a. the fact of such relationship or interest is fully disclosed or known to the Board of Directors or committee thereof which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for such purpose without counting the votes or consents of such interested trustees: and
  - b. the contract or transaction is fair and reasonable to the Association. Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee thereof that authorizes, approves, or ratifies such contract or transaction: and

- c. the contract and/or transaction is not in conflict with the fiduciary responsibility of Board of Directors as entrusted to it by the members of the Association to use the finances of the organization wisely and for the purposes intended.
- 12.2 Board of Directors Conflicts of Commitments. A Director's primary commitment is to the Association. A Director's relationship with another Association or company should not interfere with this commitment and obligation. Actions taken by a Director in a relationship with another Association or company should not conflict with an obligation, commitment or fiduciary responsibility a Director has with the Rental Property Owners Association of Kent County.