

# CONSTITUTION OF THE FRANKLIN VALLEY ASSOCIATION

## ARTICLE I - NAME

The name of this organization shall be the Franklin Valley Association.

## ARTICLE II - OBJECTIVES

### Section 1

The objectives of this Association shall be to promote and preserve the best interest of homeowners in the area, both individually and collectively. This Association shall not be operated for profit and any net income which may result from its operation shall not inure, in whole or in part, to the benefit of any individuals.

### Section 2

The Association shall be entirely apart from partisan politics, except in matters pertaining to the Franklin Valley Association.

### Section 3

The Association shall, within authorized limits, have the power to: (a) represent its members before governmental, judicial, and other groups and authorities, (b) enter contractual agreements for the best interest of its members, (c) promote and enforce zoning and other restrictions deemed necessary for the general protection of all its members, and (d) do all those things advisable which will tend to make the area a better place in which to live.

## ARTICLE III - MEMBERSHIP

### Section 1

Each natural person holding (solely, jointly, or in common) as home owner or prospective home owner for his or her own use as a private residence, legal title (in fee, vendee's interest in building contract or land contract) to a lot within the area, is entitled to general membership in this Association. Each general member is entitled to attend all meetings and express his views on subjects which concern this Association.

### Section 2 - Limitations or Rights of Members

(A) Voting rights are limited to those members whose current dues and assessments are fully paid, or who indicate their intention to make such payment (hereinafter referred to as "voting members").

(B) There may be no more than one full membership for each lot.

(C) No person, or household, shall be entitled to more than one membership regardless of the number of lots owned.

(D) Officers, Committee Chairmen, or Directors shall not serve unless current dues and assessments are fully paid or intended payments are indicated.

## **ARTICLE IV - DUES AND ASSESSMENTS**

### **Section 1**

The Board of Directors elected at the April meeting shall submit to the membership at the annual June meeting a proposed annual budget to cover, for the ensuing fiscal year, all expenditures of whatever nature (expenditures for capital items, area improvements, projects, street snow removal and all ordinary and general Association expenses included). This proposed budget shall not result in an annual dues levy in excess of \$115.00 per membership. A majority of the Association voting membership present at the annual meeting may approve the budget as submitted and recommended by the Board of Directors, or may modify or change the proposed budget by motion duly made and carried at the annual meeting and approve the budget as there modified subject to said \$115.00 limitation.

History: Const. 1996, Art. IV, Sect. 1, Eff. July 30, 1996

Former Const: See Const. 1988, Art. IV, Sect. 1, Eff. June 1, 1988

### **Section 2**

Items of special assessment (items over and above the approved budget) may be presented at any duly called meeting and, if passed by a majority in attendance, shall be submitted to the entire voting membership for approval.

(A) Approval of any “special assessment” items may be made only by a two-thirds (2/3) vote of those ballots returned to the Secretary of the Association or his designate. Ballots must be returned within a two (2) week period after the mailing by first class mail to the General Membership.

(B) Ballots shall be mailed to all members entitled to vote, via the U. S. Mails, by the Secretary or his designate.

(C) Ballots shall clearly recite the purpose of the proposed special assessment, the cost of the entire project, the cost per membership, financing arrangements, and the date by which the assessment must be paid, if approved.

(D) Members will be advised in writing of the specific date by which ballots must be returned to a designated address or location. This date shall not be more than fourteen (14) days from the date ballots are mailed by the Secretary or his designate. It shall be the responsibility of each member to see that his ballot is returned to the designated address or location if he desires his vote to be counted.

(E) Omitted - Effective July 30, 1996.

History: See Const. 1996, Art. IV, Sect. 2, Eff. July 30, 1996

### **Section 3**

To enable the entire membership to review the entire annual budget proposal recommended by the Board of Directors, the Board shall itemize all such proposed expenditures and distribute it to the membership so as to be received by them at least one week prior to the annual June meeting.

#### **Section 4**

Annual dues levied to cover the annual budget shall become due and payable within thirty (30) days following the date of the annual meeting.

Special assessments shall become due and payable within thirty (30) days of the mailing of the notice of special assessment by the Treasurer, unless a longer period for payment is specified in the resolution. All payments of dues and/or special assessments shall be made to the Treasurer.

#### **Section 5**

Any fees, dues or assessments established by the Association, and any amounts or expenses incurred in enforcing these restrictions which are reimbursable, shall constitute a lien on the lot of each lot owner responsible for such fees or expenses. The Association shall have the power and right in its own name to take and prosecute all suits, legal, equitable or otherwise which may, in the opinion of the Board of Directors, be necessary or advisable for collection of such fees or expenses and to take such other steps as it deems expedient to impose this lien upon said lot.

History: Const. 1996, Art. IV, Sect. 5, Eff. July 30, 1996

### **ARTICLE V - MEETINGS**

#### **Section 1**

The annual meeting of the Association shall be held on one of the first ten (10) days in the month of June.

#### **Section 2**

A meeting shall be held on one of the first ten (10) days in April for the election of officers and Board members. Other special or additional meetings as are deemed necessary or advisable may be called by the President or any three (3) members of the Board of Directors.

#### **Section 3**

A special meeting shall also be called by the Secretary at the written request of 20% (1/5) of the general members.

#### **Section 4**

Written notice of every meeting of the Association stating the time, place and purpose or objectives thereof, shall be given to the membership by the Secretary at least seven (7) days before the date of the meeting.

### **ARTICLE VI - BOARD OF DIRECTORS**

#### **Section 1**

The Board of Directors shall be the managing body of this Association.

## **Section 2**

The Board of Directors, nine (9) in number, shall consist of the Association's four (4) officers and five (5) additional non-officer Directors, one of whom shall be the immediate past-President.

## **Section 3**

The Board of Directors shall hold such meetings as deemed necessary or advisable by the President to conduct business on behalf of the membership of the Association. Five (5) days' written notice of each Board meeting shall be given to the membership of the Board.

## **Section 4**

The President of the Association shall be the presiding officer of the Board of Directors, and the Secretary of the Association shall act as Secretary of the Board.

## **Section 5 - Regular Term**

The full number of said Board of Directors shall be elected at the first meeting of the Association and shall be divided into two classes; the first class shall consist of three (3) Directors who shall hold their offices for one year; the second class two (2) years; and at each annual meeting thereafter, two (2) of the total number of Directors shall be elected who shall hold their offices for two (2) years. The immediate past-President shall automatically serve as a Director.

## **Section 6 - Partial Term**

In the case of a non-officer Director's inability or unwillingness to complete a term, a non-Board member appointed by the Board of Directors shall succeed to such vacated office.

## **Section 7**

No non-officer Director shall be eligible to serve for more than two (2) successive terms.

# **ARTICLE VII - OFFICERS**

## **Section 1**

The officers of this Association shall be a President, a Vice President, a Treasurer, and a Secretary.

## **Section 2 - Regular Term**

The officers of the Association shall take office effective June 1 following their election and shall serve during the ensuing fiscal year or until their successors are elected and qualify, whichever is later.

## **Section 3 - Partial Term**

In the case of a President's inability or unwillingness to complete a term, the Vice President shall succeed to the office of President and a non-Board member appointed by the Board of Directors shall succeed to the office of Vice President. In the case of a Vice President's, a Treasurer's, or a Secretary's inability or unwillingness to complete a term, a non-

Board member appointed by the Board of Directors shall succeed to such vacated office.

#### **Section 4**

No officer, except the Secretary or Treasurer, shall be eligible to serve more than two (2) consecutive terms in the same office.

#### **Section 5**

The President shall be the chief executive officer of the Association and shall preside at all meetings.

#### **Section 6**

The Vice President shall preside at meetings in the absence of the President and shall perform such other duties as may be assigned to him by the President.

#### **Section 7**

The Treasurer shall collect all dues and other receipts of the Association. He shall have custody of the funds of the Association which shall be banked within the state of Michigan and only in a bank approved by the Board of Directors, and shall account for all receipts and disbursements. He shall maintain complete records for the proper durations of time. Expenditures shall be made solely upon order of the Board of Directors and solely for expenses of the Association and its purposes as outlined in Article II of the Constitution. All disbursement requests are to be processed by the Treasurer before submission to the Board of Directors for approval. There shall be no petty cash funds. All checks paying out Association funds shall be signed by the Treasurer and countersigned by either the President or the Vice President. At the close of each fiscal year, the Treasurer shall prepare and sign an annual financial report covering the fiscal year then ending and shall, within ten (10) days after the close of such fiscal year submit such report to the Board of Directors.

#### **Section 8**

The Secretary shall make and keep accurate records of actions taken at all meetings of the membership and Directors, shall give a written report of the same at the next meeting, shall give one (1) copy of all minutes and notices to each member of the Board, shall give notices of elections and appointments, shall maintain a *Book of Policies-Board* and a *Book of Policies-Membership*, shall handle the correspondence of the Association, and shall issue the notices of meetings. In the absence of the Secretary at any meeting, a Secretary pro-tem shall be appointed by the presiding officer.

### **ARTICLE VIII - VOTING AND QUORUM**

#### **Section 1 - Association Membership**

Each voting membership shall be entitled to one (1) vote on any question at Association meetings (however, a husband or wife may exercise the privilege of one-half [1/2] vote each if both are present). The use of proxies at any such meeting is prohibited. Twenty-five per cent (25%) of the voting membership shall constitute a quorum at any such meetings for the transaction of business. No vote shall be valid except at the meeting held in accordance with this

Constitution or any official ballot of the Association.

## **Section 2**

Each member shall have one (1) vote on any question at meetings. The use of proxies is prohibited. Five (5) Directors, one whom must be the President or Vice President, shall constitute a quorum at any meeting of the Directors.

## **ARTICLE IX - ELECTIONS**

### **Section 1**

At an Association meeting on one of the first ten (10) days in April:

(A) A President, Vice President, Treasurer, and Secretary shall be elected by secret ballot from a slate of nominees offering at least one (1) nominee for each such office and,

(B) Two (2) non-officer Directors shall be elected by secret ballot from a slate of nominees offering one (1) nominee for each office.

(C) Nominations from the floor during the election meeting will be accepted.

### **Section 2**

The nominees receiving the largest number of votes shall be declared elected and shall be installed in office at the annual June meeting. In the event of a tie, an immediate run-off election shall be held as to the nominees thus tied unless there are appropriate resignations.

### **Section 3**

The officers-elect and Board members-elect shall meet with the Board of Directors until June 1. The officers and Board, as newly composed at the April meeting, shall have sole responsibility for preparing and presenting the new budget.

### **Section 4**

At an appropriate time prior to the April election meeting, the Board of Directors shall appoint a nominating committee consisting of two (2) Board members and three (3) persons from the voting membership. It shall be the duty of this committee to prepare a slate of nominees in accordance with Section 1 of this Article, said slate to be submitted to membership at least ten (10) days prior to the election meeting. Additional nominations shall be accepted from the floor.

### **Section 5**

Three (3) persons shall be appointed by the presiding officer, with the concurrence of the voting membership present, to conduct the balloting for officers and Directors. No person who is a nominee for office may serve in this capacity.

## **ARTICLE X - RECALL**

The holder of any elective office, whether succeeding thereto by appointment or otherwise, may be removed from office at any meeting of the members provided that: a petition to recall signed by 25% of the voting members is presented to any member of the Board; twenty

(20) days written notice of intention to remove is given to all voting members; and an affirmative vote, by roll call, of a two-thirds (2/3) majority of the voting members is cast.

## **ARTICLE XI - AMENDMENT**

### **Section 1**

The Constitution of the Franklin Valley Association may be amended in the following manner:

Any member may file with the Secretary such amendment or amendments as he may think advisable. The Secretary shall submit such proposed amendment(s) to the Board of Directors, who, after due consideration thereof, shall report to the Association within sixty (60) days with a recommendation for or against adoption, or the Board may recommend further alterations, additions, or omissions. However, any submitted amendment must be read in its original form at any Association meeting and may be adopted without any of the alterations, additions, or omissions that may be recommended by the Board of Directors.

### **Section 2**

A two-thirds (2/3) majority of the voting members who return ballots shall be required for the adoption of any amendment to this Constitution. Voting members will be mailed ballots by first class mail and will be instructed to return ballots to the Secretary of the Association or his designate. Ballots must be returned within two (2) weeks of the mailing.

## **ARTICLE XII - COMMITTEES**

### **Section 1**

The President shall, with the concurrence of the Board of Directors, appoint such committees as may be deemed necessary or advisable to serve the best interests of the Association.

### **Section 2**

The President shall be empowered to appoint Committee Chairmen, and is expected to use his best judgment in assessing the related experience, specialized abilities, and personal interests of the committee membership for such appointment.

### **Section 3**

Committee Chairmen will, upon notification of the Secretary, or at such times as directed by the President, submit written reports of progress, recommended action, or project completion.

### **Section 4**

A committee Chairman, or member, may be removed from committee membership by the appointment of another person as replacement.

### **ARTICLE XIII - PARLIAMENTARY AUTHORITY**

All meetings of the Association shall be conducted in accordance with the forms and regulations set forth in Robert's Rules of Order.

### **ARTICLE XIV - INCORPORATION**

The Franklin Valley Association is registered as a non-profit corporation with the State of Michigan. The term of the corporate existence is perpetual.

History: Const. 1989, Art. XIV, Eff. April 11, 1989.

Former Constitution: See Const. 1988, Eff. June 1, 1988.

### **ARTICLE XV - RATIFICATION**

This Constitution shall be deemed ratified by payment of the initiation fee by twenty (20) eligible members at the first meeting of the Association.

History: Const. 1996, Eff. July 30, 1996

Former Constitution: See Const. 1989, Eff. April 11, 1989

See Const. 1988, Eff. June 1, 1988

See Const. 1982, Eff. June 1, 1982

See Const. 1980, Eff. June 1, 1980

See Const. 1962, Eff. June 1, 1962

Original Constitution: See Const. 1959, Eff. June 26, 1959