

Roma Ridge Homeowners

Association Bylaws

March, 2004

ROMA RIDGE HOMEOWNERS ASSOCIATION BYLAWS
-- As Approved by the Board of Directors --
November 11, 2004

- I. NAME: Roma Ridge Homeowners Association
- II. PURPOSE:
The purpose of the RRHA is to carryout those purposes set forth in the Articles of Incorporation of the Association. In addition, the Association should promote and maintain the safety, property values and general well being of the members of the Association and the property of the members located within the Roma Ridge Development. The RRHA is organized to represent its members with respect to matters now or hereafter concerning one or more of its members regarding property located within the Roma Ridge Development.
- III. PURPOSE OF THE BY-LAWS:
The purpose of these By-laws is to define a structure, assign authority and establish a set of operating procedures for the Association to execute its responsibilities.
- IV. MEMBERSHIP:
Membership in the Roma Ridge Homeowners Association is required by and open only to property owners in Roma Ridge. A "member" is every person or entity owning legal or equitable title to any real property included in the Roma Ridge Development, and members of a family should be included as eligible to enjoy the benefits of membership in the Association if the eligible member is an "active" member. "Active" members are those who timely and currently pay all dues and assessments levied by the Association. Only active members should be eligible for election or appointment as directors or officers of the Association. Only active members should be entitled to vote and each active member shall have only one (1) vote – there is only one (1) vote per property in the Roma Ridge Development (e.g., a husband or wife owning property jointly in the Development are entitled to only one vote). Authorities and responsibilities of the membership include:
- 1) Members have the responsibility of paying the annual dues as specified by these Bylaws on or before March 1st of each year.
 - 2) Members have the obligation of fulfillment of the Restrictive Covenant Agreement responsibilities, including the maintenance of common properties
 - 3) Members have the authority to make motions for action by the Board at meetings of the general membership. These motions must be supported by a separate member to be considered, and will be carried, rejected, or tabled for future consideration by a quorum of six members of the Board of Directors.
 - 4) Members have the authority to make motions for additional proposed expenditures to be included in the survey prepared by the Finance Committee to initiate determination of the Budget.
 - 5) Members have the authority to vote by written ballot for new board members to fill upcoming vacant seats from the nominated slate supplied by the Nominating Committee at the annual election. Absentee ballots shall be accommodated and accepted. Each lot will receive one vote.
-

Any restrictions on the authorities of members due to lack of performance (such as failure to pay dues) shall be defined in the Restrictive Covenant Agreements.

V. ORGANIZATION:

The Roma Ridge Homeowners Association will be organized as a Board of Directors of ten members including officers in the positions of President, Vice President, Secretary and Treasurer. There will be four permanent standing committees: Finance, Architectural Control, Maintenance and Communication. Board members will chair these committees. The President may appoint AD-Hoc committees as necessary to pursue issues not handled by one of the standing committees.

A. THE BOARD OF DIRECTORS:

The Board of Directors shall consist of ten members, each holding a 2-year term. Members may serve no longer than two (2) consecutive terms, unless a complete ballot cannot be achieved through replacement candidates. Members may run for a subsequent term after a one (1) year absence from the board.

The authority of the Board of Directors include the powers and duties normally enjoyed by directors of nonprofit corporations as more fully provided in the Michigan Nonprofit Corporation Act, and specifically, the following:

- 1) To elect Officers of the Board of Directors prior to January 1 for coming year
- 2) To Review any expenditures over \$200 for propriety as defined in the Budget, and approved or reject accordingly;
- 3) To issue communications for the Roma Ridge Homeowners Association both verbally and on the Association Letterhead;
- 4) To act as advisor for any issues brought before it by the Committees;
- 5) To review and revise the Budget proposed by the Finance Committee, to present this revised Budget proposal to the general membership with explanation of changes, and to approve the Budget for the year.
- 6) The authority to fill vacancies on the Board by majority vote of Directors as provided in Article IX.
- 7) The authority to remove a director with or without cause by a vote of the Directors as provided by IX.

B. OFFICERS OF THE BOARD OF DIRECTORS

The Board of Directors will elect from among their Board members separate officers of President, Vice President, Secretary and Treasurer by a quorum of six votes for each office. These officers are elected for a two-year term. The collective authority and responsibility of the Officers is to ensure that all actions by the Board and the Association adhere to the authorities and responsibilities as specified in these Bylaws and in the Restrictive Covenant Agreements. An officer of the Board has the authority to sign checks. Check validation requires two signatures.

C. PRESIDENT: The president has the following power and responsibilities:

- 1) Appoint Chairpersons of Standing Committees;
- 2) Establish Ad-Hoc Committees;
- 3) Preside over and facilitate all Board meetings and meetings of the General Membership;
- 4) Act as chief administrator for all responsibilities and powers of the Board of Directors;
- 5) Establish and chair the Nominating Board.

D. VICE PRESIDENT: The Vice President has the following authorities and responsibilities:

- 1) Preside over facilitate Board meetings and General Membership meetings if the President is absent;
- 2) Act as liaison between the Ad-hoc Committees and the Board as requested by the Ad-hoc committees to bring issues to the Board.
- 3) Verify and concur the annual Financial Statement.

E. SECRETARY: The Secretary has the following authorities and responsibilities:

- 1) Keep the minutes of all meetings of the General Membership and the Board of Directors;
- 2) Maintain a record of all contracts that the association is party to;
- 3) Ensure the official public notice of all meetings of the general membership, including notification of any actions being considered by the Association that will be reviewed at those meetings;
- 4) Provide a timely agenda one week in advance of the general membership meeting.

F. TREASURER: The Treasurer is keeper of the Association asset accounts, and has the following authorities and responsibilities:

- 1) Receive and deposit any revenues into the appropriate Association asset accounts, and record such receipt;
 - 2) Prepare disbursements of approved funds for review, approval and co-signature by two officers of the board;
 - 3) Maintain records sufficient to track any and all revenues and expenditures;
 - 4) Prepare a summary financial report for presentation at each quarterly meeting of the general membership showing status of the revenues and expenditures in comparison to the approved Budget to be provided to the Communications Committee for publication to the members;
 - 5) Chair the Finance Committee;
 - 6) Record the Budget as approved by the Board and to provide the Budget to the Communications Committee for publication to the general membership;
 - 7) Maintain Association funds in a secure, federally insured institution.
 - 8) Publish a written annual Financial Report, due before Budget approval.
-

G. STANDING COMMITTEES:

No member of the Association can be restricted from serving on any committee unless so restricted for non-performance as specified in the Restrictive Covenant Agreements.

- 1) FINANCE COMMITTEE: The Finance Committee is chaired by the Treasurer and established by the chairman. The responsibilities include:
 - a. Preparation of the proposed annual budget;
 - b. Research and review all insurance policies held by the Association to make recommendations for changes as appropriate to the Board of Directors.
 - c. Review investment options for contingency funds.
- 2) ARCHITECTURAL CONTROL COMMITTEE: The Architectural Control Committee is chaired by a member of the Board and established by that chairman. The Architectural Control Committee exists to insure compliance of the architectural restrictions as designated in the Covenants. The approval or rejection of any proposed property alteration submitted shall be signed by no less than two of the Committee members. Any rejection shall be accompanied by a written explanation of the rejection.
- 3) MAINTENANCE COMMITTEE: The maintenance committee is chaired by a member of the Board and established by that chairman. The purpose of the Maintenance Committee is to maintain the common properties in Roma Ridge. Their authorities and responsibilities include:
 - a. Execution of any maintenance or improvement to the common properties;
 - b. Review and recommend items for inclusion in the Budget for future years, including improvements to the properties.
- 4) COMMUNICATION COMMITTEE: The Communication Committee is chaired by a member of the Board and established by that chairman. The purpose of the Communication Committee is to coordinate and execute any publications deemed necessary by the Board of Directors. Such publications shall include, but are not limited to, notifications of public meetings, publications of an Association newsletter, publication of the annual budget, and maintenance of the Association directory.

H. AD-HOC COMMITTEES: The President of the Board has the authority to establish Ad-Hoc Committees for other special purposes or interests not addressed by the Standing Committees. Ad-Hoc Committees will be allowed time at general meetings and space in Association newsletters for any appropriate communications.

VI. Meetings: A minimum of four meetings (quarterly) per year will be called by the president and will be open to the general membership. These meetings of the general membership will be announced by public notice to the general membership.

The Board of Directors has the authority to annually appoint the officers at the annual meeting and that the officers shall serve at the pleasure of the Board.

- 1.) A designated annual meeting of the general membership will occur in October to complete the election of members to the Board to fill vacant seats for the following year. This meeting will be publicly announced at least 2 weeks prior to the date of the meeting.
- 2.) A designated annual meeting of the general membership will occur on or before January 31 of each year for public review of the proposed Budget for that fiscal year and approval by the Board of Directors. This meeting will be publicly announced at least 2 weeks prior to the date of the meeting.
- 3.) The Board or any other committee may call additional meetings of their committees to serve their functions as they see fit; only the Board of Directors can call official meetings of the general membership.
- 4.) The Board of Directors should be permitted to call "special" meetings upon a vote of the Board of Directors or the members.
- 5.) A meeting of the Board of Directors requires a "quorum" (a majority of the Directors in attendance) for legitimate business to be conducted at the meeting. All actions by the board require approval by a quorum of six votes. Each board member has one vote.

VII. FISCAL YEAR:

The fiscal year will run from January 1 until December 31, as stated in the Articles of Incorporation. New Board Members and Officers will assume the responsibilities of office January 1.

VIII. ELECTION OF THE BOARD OF DIRECTORS

The Board of Directors will be elected by written ballot distributed to the general membership from the nominations prepared by the Nominating Committee, each lot having one vote. The standing Board of Directors will ensure that all Association members are notified of the election and given the opportunity to vote, and that elections for vacant seats will be completed by October 30. The nominees receiving the most votes will fill the vacant seats. The Board of Directors must elect among them the Officers of President, Vice President, Secretary and Treasurer. All Directors and Officers will be installed by introduction at the January meeting of the general membership.

ANNUAL NOMINATING BOARD: The Nominating Board shall be established solely to prepare a slate of nominees to fill Board positions being vacated at the end of the year. The President of the Board of Directors has the responsibility for establishing and chairing the Nominating Board. The Nominating Board shall notify the general membership of the expected vacancies, and shall provide applications for nomination to all interested members. The list of applicants will constitute the slate of nominees, and shall be presented to the general membership for election of new member of the Board of Directors.

IX. SUCCESSION OF OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS:

In the event of relocation or resignation of the acting President, the acting Vice President shall assume the duties and responsibilities of the President for the remainder of the term. In the event of a vacancy in the office of the Vice President or the Secretary or the Treasurer, the acting President shall have the authority to appoint anyone who is a member of the Board of Directors as acting Vice President, Treasurer, or Secretary for the remainder of the term. In the event of resignation or relocation of any standing committee chairman, the President has the authority to appoint any Board member as a new chairman to fill the vacancy. In the event of resignation or relocation of a Board member, the President has the authority to appoint any member of the Association to fill that vacancy for the remainder of the term.

REMOVAL OF A BOARD MEMBER: Removal of an officer or a member of the Board of Directors shall be executed in the following manner:

- 1) A motion by a member of the Board of Directors must be presented for consideration of removal of the Board member in question, and separately supported. The motion requires a quorum of six votes to be accepted.
- 2) Written notification of the consideration of removal must be supplied to the Board member in question prior to a vote for removal.
- 3) Following notification, the Board member in question shall be removed by a vote of seven or more Board members.

X. BUDGET AND EXPENDITURES

The approved Budget shall represent the purposes and amounts of Association funds to be disbursed by the Board of Directors during the fiscal year.

A.) **PREPARATION AND APPROVAL OF THE BUDGET:** a written Budget Survey of proposed expenditures will execute the participation of the general membership in preparation of the Budget. The Finance Committee will prepare the survey with input from the Board of Directors.

- 1.) Any member may make a motion to add a proposed expenditure item to the Budget Survey for the coming fiscal year at any meeting of the general membership. The item will be added following separate support for the motion.
 - 2.) The Budget Survey representing a proposed operating budget for the coming fiscal year will be prepared by the Finance Committee, and will include all items officially added at the general membership meetings.
 - 3.) The budget survey will be distributed to all members of the Association. The survey shall allow a response to each and every proposed expenditure item separately, signifying support for inclusion of the item, support for exclusion, or suggest a change in the amount of funds proposed. Each lot shall submit no more than one Survey response.
 - 4.) The Finance Committee shall compile the results of the Budget Survey, tallying supporting responses for inclusion and exclusion by item, and noting suggested changes in amounts indicated for each item. The proposed Budget shall be altered to reflect the desires of the Association members as indicated by the Survey responses.
-

- 5.) The Finance Committee will present the results of the Budget Survey and the proposed Budget to the Board of Directors. The Board of Directors has the authority to revise the proposed Budget as deemed necessary to satisfy the Bylaws and the Restrictive Covenant Agreements. The Board of Directors has the authority to approve the Budget.
- 6.) The Board of Directors shall present the Budget for the new fiscal year along with the results of the Budget Survey at a meeting of the general membership on or before January 31 of the new fiscal year with prior public notification of the meeting and prior publication of the Survey and the Budget.
- 7.) A specific non-discretionary line item of \$250 will be included in every annual Budget, specified as "Future Budget Publication Fund" to allow disbursements in the following year for the purpose of executing necessary publications to support the Budget and Budget Survey preparation and approval process.

B) EXPENDITURES:

All expenditures will be prepared by the Treasurer and concurred (co-signed) by any two Officers of the Board upon confirmation that the expenditure satisfies all restrictions in the Bylaws or the Restrictive Covenant Agreements. All expenditures are subject to the following restrictions:

- 1.) No funds shall be disbursed unless such expenditure was approved by the Board of Directors as part of a specific item in the Budget.
- 2.) No expenditure shall be disbursed if the total expenditures for that specific item will exceed the approved amount for that item by more than 10%.
- 3.) Total disbursements shall not exceed total expenditures approved.
- 4.) Any expenditure over \$200 requires approval by a quorum of six members of the Board of Directors prior to disbursement.
- 5.) Any unforeseen funding requirements (not included in the Budget), including disposal of funds from the Contingency Emergency Account, will require the Board to call a meeting of the general membership with prior public notification of the issue. The Board shall seek authority from the general membership at that meeting to execute the expenditure.

XI. DUES:

The Members of the Association shall have the responsibility to fund the approved budget by submitting an annual payment ("dues") to the Association. Each year prior to any assessment the Association should send to each member a "Notice of Dues and Assessment". Each member should be required to pay the amount of dues and/or assessment levied within a specified period of time. Nonpayment of dues and assessment should result in a default, the loss of being an active member, and the right of the Association to file a lien or foreclose on the lien.

The maximum percentage increase of annual dues is not to exceed ten percent (10%) of the prior year's annual dues. The amount of payment to be submitted by the owner of each lot will be calculated by subtracting the remaining account balances from the previous year from the total amount approved in the Budget, and dividing this amount by the number of lots in the subdivision (129). The amount owed by each lot will be the next higher whole dollar amount resulting from this calculation. This amount will be established prior to January 1st of each year, and collected in one billing from each lot for that year. Dues are paid to the Association no later than March 1 of that year. A \$25 late fee will be assessed for annual dues received after March 1st.

In the event of year-end account balances, the board may elect to designate up to 10% of the annual income for the purpose of supporting a Contingency Emergency fund. The total amount of the contingency fund shall not exceed one hundred percent (100%) of the current Fiscal Year budget

Special Assessments: Should the Board vote to recommend a special assessment to finance expenses, the majority of votes cast from the general membership must give approval. The votes can be made via proxy prior to the meeting or in person at the meetings. Each lot equals one vote. Any proposed special assessment must be announced to the general membership in writing at least two weeks (14) days prior to the meeting at which a vote will be taken.

XII. REVISIONS OF THE RESTRICTIVE COVENANT AGREEMENT:

Revision of the Restrictive Covenant Agreement will require a 2/3 majority vote of the lot owners signature, each lot having one vote, as stated in the Covenants. The Board of Directors may establish an ad-hoc committee to draft the new Covenants and they shall be presented at a public meeting with prior public distribution of proposed changes before seeking the signatures for approval.

XIII. AMENDMENTS OF THE BYLAWS:

Any member of the Association can make a motion for amendment to the Bylaws. Following separate support for motion and appropriate discussion, the Board of Directors shall recommend or deny consideration of the motion by the general membership. Amendments or revision of the By-Laws will require a majority vote by the members in attendance at a public meeting with prior public notification (detailed in writing) of the proposed change to the By-Laws, each lot receiving one vote. Changes shall take effect immediately following the approval.
