

BY-LAWS
OF THE
NIMS NEIGHBORHOOD ASSOCIATION
2014

DRAFT

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NIMS NEIGHBORHOOD ASSOCIATION

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**BY-LAWS OF
NIMS NEIGHBORHOOD ASSOCIATION**

Adopted: _____

ARTICLE I

Section 1.01 **Name of the Organization.** The name of this organization shall be

NIMS NEIGHBORHOOD ASSOCIATION.

Section 1.02 **Boundaries.** The boundaries of this organization are Seaway Drive on the East, Laketon Avenue on the South, Muskegon Lake on the West, and North to the proposed Shoreline Drive, ending at Ninth Street and including Heritage Landing the YMCA, and includes the area commonly known as “Pinch Town” located between Laketon Avenue, Lakeshore Drive and Ruddiman Lagoon (otherwise known as Pinchtown).

ARTICLE II

Section 2.01 **Purpose.** This organization is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The specific aims and objectives of the organization are:

- A. To promote cooperation and communication among our neighbors and to ensure that the issues affecting our neighborhood will be adequately and successfully resolves; and for the betterment of community and residents.
- B. To solicit and receive grants, contributions, dues and other property, to enter into contracts, to engage needed personnel and/or services, and to transfer, hold and invest such real and personal property as may be appropriate to carry out the purposes of this organization.

ARTICLE III

Section 3.01 **Membership.** The following are eligible to participate in this organization as provided below:

- A. **Voting Members:** All persons eighteen (18) years old or older whose principal place of residents is within the boundaries of this organization. ~~Subject to the requirements of Section 4.04 below, voting members are eligible to vote on all matters brought before the general membership of this organization.~~ Only voting members are eligible to serve as officers or members of the Board of Directors of this organization.
- B. **Non-Voting Members:** All other persons eighteen years old or older not described in Section 3.01 (A) above and entities who have an interest in promoting the aims and purposes of this organization. Non-voting members are eligible to receive notices of, to attend and to address meetings of the general membership of this organization but are not eligible to vote upon any matter brought before the general membership of this organization including, but not limited to, the election of officers and members of the Board of Directions and members of the Board of Directors or to serve as officers or members of the Board of Directors of this organization.

Section 3.02

Dues. Annual dues shall be \$5.00 per household, and \$3.00 per households headed by a senior citizen or a person on a fixed income. However, no one shall be excluded for reasons of financial hardship. Annual dues shall be paid by ~~the date designated by the Board of Directions from time to time.~~ **March 31 of each year.**

ARTICLE IV

Section 4.01

Responsibility of Officers.

President: The President shall preside at all meetings and functions of this organization, shall have the power to appoint all necessary committees upon approval of a majority of the membership present at a meeting of the general membership, to define the duties thereof, and perform other duties as may pertain to the office of President. The President shall be an ex-officio member of all committees except the nominating committee.

Vice President: The Vice-President shall perform duties of the President in the absence of the President. If the office of the President should become vacant, the Vice-President shall succeed to the office of the President.

Treasurer: The Treasurer shall have charge of all funds belonging to the organization, collect dues, pay bills upon ~~the approval of a~~

majority of the Board of Directors receipt, deposit funds in a bank approved by the organization's Board of Directors, and render a monthly statement showing the financial conditions of the organization to the Board of Directors.

The President, Vice President and Treasurer shall be authorized check signers, and checks shall require the signature of at least two (2) of the above officers. ~~The President shall appoint a committee to audit the books of the Treasurer annually and report the results to the organization's Board of Directors. The fiscal year shall be January 1 to December 31.~~ The Board of Directors will annually review the books of the prior year by March 31.

Secretary: The Secretary shall take the minutes at all meetings of the Board of Directors and general membership, shall make written copies of the minutes available at the next meeting, and shall have full and complete charge of the organization's records. The Secretary shall also have charge of all matters relative to communications, shall keep a list of all members and notify them of meetings and other important matters of the organization via email, City website, telephone calls and Facebook.

Section 4.02

Members and Duties of the Board of Directors. The Board of Directors shall consist of the following duly elected officers: President, Vice President, Treasurer, Secretary and three (3) additional voting members of the organization elected at large by the membership. The business and affairs of this organization shall be managed by the Board of Directors, which is the governing body of this organization.

Section 4.03

Election and Term of Office. Elections of Officer/Board of Directors members shall be held at the ~~September~~ October regularly scheduled general membership meeting. The President shall appoint a Nominating Committee of three (3) persons in July to develop a proposed slate to be read at the ~~August~~ September meeting of the general membership. No more than one of the present officers/Board of Directors members and those interested in running for office may serve on the Nominating Committee. ~~Nominations shall be accepted from the floor.~~ Those interested in running shall contact the Nominating Committee.

Section 4.04

Eligibility to Vote and Balloting. To be eligible to vote, a member must be eighteen (18) years old, have dues paid in full at or before

~~the September general membership meeting or such other date as may be designated by the Board of Directors from time to time.~~
The Officers/Board of Directors shall be elected at the general membership meeting in ~~September~~ **October**. A majority (~~50% + 1~~) **(50% or more)** of all votes cast shall be necessary for election of any Officer/Board position. If no candidate shall receive a majority of all the votes cast, there shall be an immediate run-off election conducted by secret ballot held between the two (2) candidates receiving the highest number of votes cast. If the two (2) candidates receiving the highest number of votes shall receive a tie vote, a run-off shall follow immediately.

Section 4.05 **Installation of Officers/Board Members.** Installation of duly elected Officers/Board Members shall take place immediately following elections.

Section 4.06 **Resignations.** All resignations shall be submitted in writing to the Board of Directors with fourteen (14) day notice.

Section 4.07 **Removal of Officers/Board Members.** Officers/Board Members shall be removed from office for absence from there (3) consecutive Board of Directors meetings of General Membership meetings without a valid/satisfactory excuse, and/or behavior not consistent with the intent or spirit of the organization. The Secretary will notify both the member in question and the Board of Directors in writing of the charges and request that the member be relieved of his/her duties until a final decision is reached at a special meeting of the Board of Directors, which shall be held within two (2) weeks of notification of charges. The member charged has the right to present his/her case at this meeting. If a majority of the members of the Board of Directors present are of the opinion that the charges are valid, the member charged will be immediately removed from office.

Section 4.08 **Vacancies.** If a vacancy occurs on the Board of Directors, the President shall appoint a member to fill the vacancy and complete the balance of the term of office upon approval by majority of the Board of Directors.

ARTICLE V

Section 5.01 **Meetings.** General membership meetings shall be held on ~~the third Wednesday of each month~~ **monthly** at a location and time

designated by the Board of Directors. The Board of Directors shall meet on a monthly basis, ~~immediately following the general membership meeting.~~ Special/Emergency meetings of the general membership and/or the Board of Directors may be called by the President or any two (2) members of the Board of Directors.

Section 5.02 **Annual Meetings.** The annual meeting of the general membership for the election of officers and directors shall be held ~~on the third Wednesday of September~~ **in October** at such time and location designed by the Board of Directors.

Section 5.03 **Quorum and Voting Requirements.** A majority of all Board of Directors present in person or by proxy **including electronic means,** shall constitute a quorum for board meetings. Unless otherwise specified in these By-laws, the Articles of Incorporation, or as required by the laws of the State of Michigan, the vote of a majority of the Board of Directors or committee members present at any meeting at which there is a quorum shall be the act of the Board of Directors or committee. ~~Twenty-five percent (25%) of the registered voting general membership present in person or by proxy shall constitute a quorum for general membership meetings. Unless otherwise specified in these By-laws, the Articles of incorporation, or as required by the laws of the State of Michigan, the vote of a majority of the members present at any meetings at which there is a quorum shall be the act of the membership.~~

Section 5.04 **Conduct of Meetings.** All **Annual Election** meetings shall be conducted according to Roberts Rules of Order, newly revised.

ARTICLE VI

Section 6.01 **Classification of Charitable Purpose(s).** This organization is organized exclusively for charitable purposes, including for such purposes, the making of distribution of organizations that qualify as exempt, organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Section 6.02 **Net Earnings.** No part of the net earnings of this organization shall inure to the benefit of, or be distributed to its members, trustees, officer, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in

furtherance of the purposes set forth in the purpose clause above. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by an organization except from federal income tax under section 501(c)(3) of the Internal Revenue Code, corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Section 6.03

Dissolution. Upon dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as the Court shall determine, which are organized and operated exclusively for such purposes.

Section 6.04

Volunteer Board of Directors. A “volunteer director” of this organization is not liable to this organization or, its members for breach of the volunteer director’s fiduciary duty. However, this section shall not eliminate or limit the liability of a director for any of the following:

With the following five exceptions:

1. A breach of the director’s duty of loyalty to this organization or its members.
2. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
3. A violation of Section 551(1) of the Michigan Nonprofit Corporation Act.
4. A transaction from which the director derived an improper personal benefit.

5. An act or omission that is grossly negligent.

In addition, this organization assumes all liability to any person other than this organization or its members for all acts or omissions of a volunteer director occurring on or after the effective date of the filing of the Articles of Incorporation of this organization.

Section 6.05

Indemnification. Each person who is or was a director, officer, or member of a committee of this organization and each person who serves or has served at the request of this organization, as a trustee, director, officer, partner, employee, or agent of any other corporation, partnership, joint venture, trust or other enterprise shall be indemnified by this organization to the fullest extent permitted by the laws of the State of Michigan as they may be in effect from time to time. This organization may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his/her status as such, whether or not this organization would have power to indemnify such person against such liability under the preceding sentence. This organization may, to the extent authorized from time to time by the Board of Directors, grant rights of indemnification to any employee or agent of this organization to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

ARTICLE VII

Section 7.01

Amendments of By-Laws. The By-Laws of this organization may be amended; provided, however, that the following steps are taken in succession:

- A. The proposed amendment(s) is given to the Secretary in writing.
- B. The proposed amendment(s) is read at a regular meeting of the general membership.
- C. All members are given due notice, one (1) month prior to voting of the proposed amendment(s) either by mail or publication the newsletter, distributed at a general membership meeting **or by electronic means.**
- D. ~~Two-thirds (2/3rds)~~ **Majority** of all voting members present vote in favor of adopting the proposed amendments(s).

Section 7.02

Adoption of By-Laws. These By-Laws shall become operative upon a majority vote in its favor of all votes cast at a general membership meeting; provided, that notice of such a meeting is published in a newspaper of general circulation in Muskegon County at least ten (10) days before the meeting, **as well as by electronic means and Facebook.**

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