



Palmer Woods Association

P.O. Box 21086, Detroit, MI 48221 · palmerwoods.org

Palmer Woods Association By-laws

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ARTICLE 1: NAME AND BOUNDARIES

The name of this organization is the Palmer Woods Association (“PWA”). Its boundaries are the same as the Palmer Woods subdivision - part of the Southwest one-quarter of Section 2 and part of the Southeast one-quarter of Section 3, T.I., S.R. II.E., lying west of Woodward Avenue, Detroit, Wayne County, Michigan. The neighborhood consists of 296 lots or parcels.

ARTICLE 2: PURPOSE OF BY-LAWS

These By-laws serve to satisfy regulatory requirement and govern the activities, procedures and operations of the Board of Directors and its committees.

ARTICLE 3: PURPOSES AND GOALS OF PALMER WOODS ASSOCIATION

The purposes and goals of PWA are as follows:

- 1
Maintaining and supporting the historic integrity of Palmer Woods
- 2
Promoting active partnership and membership within Palmer Woods
- 3
Coordinating cultural and family events for Palmer Woods
- 4
Encouraging compliance with ordinances related to the use of property and neighborhood common elements
- 5
Monitoring public improvement works within Palmer Woods
- 6
Facilitating regular communication between residents and municipal, state and other individuals and entities relating to topics and issues of mutual concern
- 7
Carrying out its obligations regarding the Special Assessment District (“SAD”) wherein monies are collected from residents as part of a special levy (tax) on real property to pay for local services managed by PWA such as security, snow plowing and maintenance of neighborhood common areas

8

All persons who participate in the organization of activities, initiatives and projects of PWA serve as volunteers unless such activity is approved for compensation subject to the terms of the Volunteerism Policy.

9

Other purposes considered by PWA to be for the general benefit of Palmer Woods' residents.

10

Any and all purposes of the Association shall at all times be consistent with one or more exempt purposes within the meaning of Section 501c (4) of the *Internal Revenue Code of 1986*, as amended, or the corresponding section of any successor legislative equivalent.

The Association is restricted from engaging in the following activities:

1

Contributing monetarily toward the support of political candidates

2

Intervening or participating in political campaigns, except that education on non-partisan issues, sharing information with residents from elected officials, advocating with local, state or federal government officials and agencies/departments in relation to issues and legislation that are beneficial to residents, or desirable from a need to know perspective, shall be permitted

3

Acting in the interest of any individual, firm, corporation, partnership or association seeking to derive profit or gain whether monetary or otherwise

ARTICLE 4: ASSOCIATION MEMBERS

Section 1- Requirements

All owners of homes (or vacant property) in Palmer Woods are members of PWA, subject to, there being 1 voting membership ("Member") per property address, with no additional voting rights being permitted where the owner of a particular property owns multiple parcels of real property in Palmer Woods, or where at a particular address there may be more than 1 eligible Member. Individuals (persons and entities) who are registered owners of real property, or beneficial owners (e.g. through a trust or corporation) or property owners deriving their rights by way of statute, regulatory or judicial order are also eligible to be Members, provided such Members do not have multiple votes where they hold more than one parcel of real property, and subject to there being only 1 Member per address regardless of the number of registered or beneficial owners residing therein, and further subject to a Member having only 1 vote

regardless of the number of parcels of real estate held by that Member or their household.

Section 2 – Dues

Dues are collected from each household in PWA through a SAD assessment.

ARTICLE 5: BOARD OF DIRECTORS

Section 1- Elections

PWA maintains a Board of Directors (“Board of Directors”), consisting of 15 directors (“Directors”), elected by the Members. Only those residents that are domiciled in Palmer Woods can be elected to the Board of Directors provided they meet the requirements of being a Member, hold an ownership interest in any real property parcel located in Palmer Woods of 40% or greater and be an individual as opposed to an entity.

Within 15 days of receiving a notice of annual meeting of members being delivered or mailed, any individual who wishes to run for election as a Director, must notify the Secretary in writing of their intent to do so and provide their resume and other documentation as required by the Nomination Committee. The Secretary shall then forward the names of such individuals to the Chair of the Nominating Committee.

The Board of Directors may at any time appoint one or more retiring or former Directors with the status of “Director Emeritus” or “Director Emerita”. Such Directors shall not have voting status and shall serve until their resignation or removal by the Board of Directors pursuant to these By-laws.

Section 2- Term

Directors are elected/reelected at PWA’s annual meeting (or special meeting (“Special Meeting”) called for that purpose) (“Annual Meeting”) and serve a three-year term or until a successor has been appointed. Where more than 5 directors are being voted upon for election/reelection, only the 5 individuals receiving the most votes may be elected by way of secret ballot.

There shall be no limit to the number of three-year terms served by a Director other than as provided under these By-laws.

Directors are not paid any compensation for their normal duties. Under special circumstances, Directors may receive nominal and reasonable compensation for Board of Directors duties if the Board of Directors authorizes such compensation. Directors are also entitled to reimbursement of any actual and appropriate costs incurred. Receipts must be submitted to PWA’s Treasurer or Financial Secretary.

Section 3 - Director's Responsibilities

Directors have the overall responsibility for conducting, managing and controlling the business, affairs, and property of PWA, including establishing and enforcing policy

(such as the Financial Policy and Code of Conduct), subject to any order of regulatory authorities, or in compliance with applicable law.

Additional responsibilities include, but are not limited to, the following:

- 1
Reporting PWA information to members at the Annual Meeting, any Special Meeting or as reasonably requested by the members of PWA
- 2
Serving on at least 1 committee of the Board of Directors or participating during a calendar year in a project approved by the Board of Directors
- 3
Ensuring compliance with the Code of Conduct, Financial Policy and all other policies adopted by PWA
- 4
Periodically reviewing and confirming PWA's compliance with its SAD obligations
- 5
Reviewing as appropriate, the special levy upon real property permitted under SAD and consulting with members and the City of Detroit on its recommendations as to the appropriateness of the actual levy amount
- 6
Designating a financial institution(s) in which PWA funds are deposited and designating the manner in which such account(s) are managed
- 7
Engaging, (including enforcement of contractual terms) and determining the compensation of all employees and contractors
- 8
Creating and delegating its activities and initiatives to a committee(s) constituted by the Board of Directors. The Board of Directors may in its discretion act on the recommendations of a committee
- 9
Approving an annual budget, no later than January 31 (January being the first month of the fiscal year of PWA, with year end being December 31) as presented by the Treasurer, and reviewing and if necessary, approving any changes to the budget throughout the fiscal year
- 10
Performing any other duties as may be required by applicable law and regulation or as ordered by Members at a duly constituted meeting

Section 4 – Resignation

A Director may resign at any time by giving written notice to the Secretary or the President of PWA. If provided to the Secretary, the Secretary will promptly provide a copy of the resignation to the Chair of the Nominating Committee and to the President. Directors shall be notified of the resignation prior to the next meeting of the Board of Directors, but not later than 30 days from the date of the resignation.

Section 5 – Absences

Unexcused absence of a Director from the Board of Directors meetings in a calendar year may in the discretion of the President constitute grounds for that Director's resignation, taking into consideration the circumstances and contributions of that Director.

Section 6 – Notices

Notices of Directors meetings or other matters may be given by hard copy, or electronically. Notices may also be given during the course of a telephone conversation provided the Secretary records the substance of the notice and inserts same in the meeting records of the Board of Directors.

Section 7 – Meetings and Quorum

Where a physical meeting is proposed, the Secretary shall circulate a notice 5 days prior to the meeting, indicating the business to be conducted and the place and time of the meeting. No such notice is required where the meeting is a regularly scheduled meeting held on the second Tuesday of each month except July and August where there are no regularly scheduled meetings. See Section 11 – Duties of Officers – Secretary. Notice of a meeting may be waived by a majority of Directors attending the meeting.

No advance notice is required where a meeting takes place electronically or where a unanimous resolution is circulated for approval. In such instances a reasonable date must be provided by which each Director is required to reply.

A quorum consists of a majority of Directors in office.

Sections 8 – Dismissals

The Board of Directors may dismiss a Director whenever, in its judgment, the best interests of PWA are served, or the Director is incapacitated (or otherwise prevented from acting) and cannot for whatever reason carry out their duties in a timely and efficient manner as determined by the Board of Directors. The dismissal requires an affirmative vote of 66 and 2/3% of Directors who are present at a duly constituted meeting.

Section 9 – Vacancies

Vacant Director positions are filled by a majority vote of the remaining Directors, following consideration of a report from the Nominating Committee. A person elected to fill a Director vacancy serves the remainder of the term of the vacating Director, or until their successor is appointed should the succeeding Director leave the Board of Directors prior to the end of their term.

Section 10 – Officers

PWA officers include the President, Vice President, Secretary and Treasurer, Compliance Officer and Financial Secretary. They are Directors elected by the Board of Directors to serve as officers at the first meeting of the Board of Directors following the Annual Meeting of members. Each holds office for one year or until their successor is elected by the Board of Directors. Officers may be elected for successive terms for the same office or another office.

Section 11 - Duties of Officers

The President is the Chief Executive Officer of PWA. The President is responsible for the following:

1

Presiding at all meetings of members and of the Board of Directors and carrying out the duties normally associated with the title of Chief Executive Officer

2

Serving as Chair of the Executive Committee

3

Consulting with other Officers and committee chairs of PWA regarding their activities and fulfillment of their mandate, and serving as *ex-officio* member of all committees

4

Appointing any Director(s) or individual(s) to address a specific issue, concern or project

5

Authorizing spending up to a maximum of \$1,000 on any single unbudgeted purchase, providing such expenditure is reported to the Treasurer or Financial Secretary

Performing any other duties as may be required by applicable law these By-laws or as directed by the Board of Directors.

The Vice President is responsible for the following:

1

Performing the duties of the President in their absence or incapacity. In the event the Vice President cannot perform any or all of these duties, the Board of Directors may appoint on a permanent or temporary basis any other officer to do so

2

Serving as a member of the Executive Committee

3

Serving as an *ex-officio* member of all committees of the Board of Directors

4

Performing any other duties as may be required by applicable law, these By-laws or as directed by the Board of Directors

The Secretary is responsible for the following:

1

Maintaining minutes of all meetings of members, Board of Directors and Executive Committee. If there are committee minutes, the Secretary shall keep such minutes with the records of PWA

2

Issuing notice of meeting agenda for members, Board of Directors and Executive Committee to be attached to the notice calling the meeting. For regularly scheduled meetings of the Board of Directors draft minutes of the last meeting must be provided to Directors 5 days in advance of the meeting

3

In conjunction with the Financial Secretary, assuring that a list of all Members and their mailing addresses is maintained by PWA

4

Responsible for all correspondence of the PWA

5

Assuring that motions and votes in meetings of Board of Directors and Executive Committee are accurately represented to those present and recorded in the minutes. Where the Secretary is authorized or directed by the Board of Directors or Executive Committee, the minutes may be redacted where the matter is deemed confidential or may be harmful to an individual or PWA

6

Maintaining a list of Directors, their terms of office and reelection dates

7

Performing any other duties as may be required by these By-laws, applicable law and the Board of Directors

The Treasurer is responsible for the following:

1

Maintaining a full and accurate record of all receipts and disbursements of PWA

2

Creating and maintaining accounting systems to maintain financial controls and reporting mechanisms to support PWA's financial policy. Such controls and mechanisms are to be in accordance with generally accepted accounting principles as may be supplemented from time to time by regulatory authorities, the requirements of SAD and the direction of the Board of Directors

3

Preparing an annual budget to be presented to the Board of Directors at its first meeting in January, as well as providing the Board of Directors with periodic updates to the budget, in the form of a report on variances and updates to the budget as the fiscal year proceeds

4

Arranging for the deposit of all monies to the credit of PWA, with a financial institution(s) approved by the Board of Directors

5

Providing a financial report at the Annual Meeting of members and such interim financial statements and reports as requested by the Board of Directors

6

Assuring the financial records of PWA are verified annually by an independent Certified Public Accountant to be appointed by the Board of Directors. The Board of Directors may order more frequent verifications if appropriate

7

Assuring that all money owed to PWA is duly collected and that all gifts of money or property to PWA are duly received

8

Performing any other duties as may be required by these By-laws, applicable law and the Board of Directors

The Compliance Officer is responsible for the following:

1

Investigating and resolving all reported complaints and allegations concerning violations of these By-laws, applicable law and policies and resolutions of the members and Board of Directors

2

Reporting such violations or issues to the Executive Committee and they may call a special meeting of the Executive Committee if they deem it appropriate for the purpose of discussing such issues

3

The Compliance Officer shall be a licensed attorney, if possible, and if not possible, the Board of Directors shall seek appropriate legal representation as needed

4

Performing any other duties as may be required by these By-laws, applicable law and the Board of Directors

The Financial Secretary must be consulted and engaged at the Executive or Board of Directors level when fiscal matters require a decision or resolution.

The Financial Secretary shall assist the Treasurer in:

1

Maintaining and monitoring accounting systems related to financial controls and reporting mechanisms and to support PWA's financial policy. Such controls and mechanisms are to be in accordance with generally accepted accounting principles as may be supplemented from time to time by regulatory authorities, the requirements of SAD and the direction of the Board of Directors

2

Preparing an annual budget to be presented to the Board of Directors at its first meeting in January, as well as providing the Board of Directors with periodic updates to the budget, in the form of a report on variances and updates to the budget as the fiscal year proceeds

3

Managing the collection, deposit and recording of revenues and expenses

4

In the absence of the Treasurer, executing payments and receiving monies, subject to the direction of the President

5

Performing any other duties as may be required by these By-laws, applicable law and the Board of Directors

Section 12 - Vacant Officer Position

If an Officer position becomes vacant, it may be filled by another Director. The vacant position is filled by the affirmative vote of a majority of the remaining Directors. The newly elected officer serves the unexpired portion of the term of the officer who has vacated or until their successor is elected.

ARTICLE 6: EXECUTIVE COMMITTEE

Section 1 - Board of Directors

The Board of Directors may create committees as in its judgment are required to efficiently carry on the business of PWA. The Board of Directors may delegate to the committees any powers and duties the Board of Directors sees as proper and fitting, as long as it has the authority to delegate such powers and duties.

Committees shall consist of Directors and/or residents of PWA. Committees must elect 1 individual as Chair who will be responsible for reporting to the Board of Directors on committee activities. The President shall call upon such individual to provide a report as and when appropriate.

The following is a description of two standing committees:

Section 2 - Executive Committee

It consists of the President, Vice President, Secretary, Treasurer and Compliance Officer. The President may invite the Financial Secretary or any another other Director or other person as needed to Executive Committee Meetings. Each member of the Executive Committee has 1 vote. A quorum consists of a majority of members of the Executive Committee in office. In the event of a tie vote, the matter shall be referred to the Board of Directors.

1

The Executive Committee meets as needed at times and places it determines. Executive Committee members are notified of meetings by the Secretary. The notice is delivered to each Committee member at least 5 days prior to the meeting where a physical meeting is called for, unless the matter is declared to be urgent.

This notice may be waived by unanimous consent. No notice is required where the meeting is called electronically, or a resolution is circulated for approval. In such circumstances, if approval is required for an issue by the Executive Committee, reasonable notice must be provided for a response

2

The President, the Compliance Officer or 2 or more Executive Committee members may call special meetings

3

The Executive Committee has the authority to spend up to \$5,000 on any single unbudgeted purchase provided it reports same to the Treasurer or Financial Secretary

4

The Executive Committee must keep full and accurate records and accounts of its proceedings and transactions. Any actions taken by the Executive Committee must be reported to the Board of Directors, for approval by vote when necessary, within 30 days or as soon as practicable. No reporting is required where the matter being considered is confidential or may result in harm to an individual or PWA

Limitations of the Executive Committee

The Executive Committee is only empowered to take action without Board of Directors approval in urgent or confidential issue situations.

Section 3 - Nominating Committee

The Nominating Committee nominates Directors. It consists of up to 5 Directors appointed by the President following the Annual Meeting of members or anytime thereafter, if there is a vacancy, or the President wishes to increase the number of members appointed to the Nominating Committee, provided the maximum number of members comprising the Nominating Committee shall not exceed 5 directors. Members of the Nominating Committee serve a one-year term and may be reappointed.

The Nominating Committee is responsible for identifying individuals whose qualifications and experience would enhance the Board of Directors' pool of talent. The Committee works in tandem with the Board of Directors in identifying skill sets on the Board of Directors which may be deficient or desirable.

The Nominating Committee meets annually at least 60 days prior to the Annual Meeting of members for the purpose of reviewing nominations for Directors. It shall also meet within 30 days of the Annual Meeting for the purpose of confirming eligibility requirements for individuals who have notified the Secretary of their intent to run for election as a Director.

The Nominating Committee shall report to the Board of Directors on its findings in a timely fashion in order for there to be sufficient time to print ballots, should they be required as well to make all necessary arrangements for a vote.

The Nominating Committee also meets as necessary where there are vacancies on the Board of Directors, for the purpose of making recommendations and confirming the eligibility of a potential Director. The President may request recommendations from the Nominating Committee with respect to a vacant officer position.

ARTICLE 7: MEETINGS

Section 1 - Association Meetings

A meeting of the members of PWA is held annually on or before May 15 on a day and time decided by the Board of Directors. The meeting is held in Detroit, Michigan, at a venue decided by the Board of Directors.

A meeting of members may conduct business provided any resolutions or motions may be approved by a majority of Members present.

Special Meetings of members may be called at any time by the President, by resolution of the Board of Directors or upon petition signed by not less than a majority of Members. The petition must be filed with the Secretary.

If the Annual Meeting is not held as described above, a Special Meeting may be called.

Section 2 - Notices of Association Meetings

Members must be notified of the Annual Meeting in writing by the Secretary. The notice must be delivered to each Member in hard copy or electronically at least 45 days prior to the meeting at the address appearing in the PWA records for the Member. Delivery of the notice may be satisfied if placed in publications of general circulation for Palmer Woods, such as by way of example E-News or the Palmer Woods Post.

The written notice of any Annual or Special Meeting must state the substance of the proposed business to be transacted at the meeting, and no other business will be transacted at the meeting other than that stated in the notice, except where the nature of the item was not reasonably foreseeable at the time the notice of meeting was prepared.

The Compliance Officer shall be responsible for tabulation and recording of all votes by Members and the Secretary shall report on the voting results and record in the minutes the results.

Section 3 - Order of Business at PWA Member Meetings

The order of business at meetings of Members shall be determined by the Board of Directors. For annual meetings, the agenda must include, a review by the President, election or reelection of directors, review of the Treasurer's financial report, reports of officers and committees, and a report on upcoming events.

ARTICLE 8: CONTRACTS AND LEGAL REVIEW

The Board of Directors approves all deeds, leases or other contracts by a majority vote. All contracts must be executed on behalf of PWA by two officers designated by the Board of Directors. Where the Executive Committee and President agree to the terms of the contract within their spending limits, the President shall select the two officers to execute the contract, which will subsequently be presented to the Treasurer and Financial Secretary. All contracts, payments and other actions shall undergo legal and financial review as appropriate prior to approval by the Board of Directors, the President or Executive Committee.

ARTICLE 9: AMENDMENT OF BY-LAWS

These By-laws may be amended by Members or the Board of Directors.

Members may amend these By-laws by a majority vote at an Annual Meeting or Special Meeting. 60% of Members in attendance must approve the amendment(s). Members must be notified of the vote on the proposed amendments, to be included at least 45 days prior to the meeting and be provided with sufficient information in the notice of meeting concerning the business to be transacted.

The Board of Directors may amend these By-laws by a vote in favor cast by 60% of Directors in attendance, where a quorum is present. The Board of Directors may not amend these By-laws where doing so would present a conflict of interest. The Board of Directors may not amend these By-laws to change the powers, qualifications, classifications, or terms of office for Directors.

ARTICLE 10: INDEMNIFICATION

PWA shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an Officer, Director, volunteer or employee of PWA against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of PWA; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of Directors who are not at that time parties to the proceeding.

The indemnification provided shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

This Article constitutes a contract between the PWA and the indemnified officers, directors, and employees. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer, director, or employee under this Article shall apply to such officer, director, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

ARTICLE 11 – INSURANCE

PWA shall purchase and maintain insurance, at its expense, to protect itself, its property and any person who is or was a Director, Officer, employee, non-director volunteer or agent of PWA against any liability asserted against such persons or incurred by such persons acting in their PWA capacity, whether or not PWA would have the power to indemnify such person against such expense, liability or loss under applicable law.

ARTICLE 12: APPROVAL

APPROVED by the Board of Directors on December 10, 2019.

Per _____
President

Per _____
Secretary