

# **Constitution and Bylaws of Hidden Hill Lake Association**

## **Article I. Name and place of business**

**Section 1.** The name of this organization shall be: Hidden Hill Lake Association. The organization is hereinafter referred to as "Association".

**Section 2.** The place where the business of the Association is to be transacted is Smith County, Texas, and when authorized by its membership elsewhere within or without the state of Texas, in accordance with the laws of Texas and the bylaws of the Association.

**Section 3.** The principal place of business of the Association is in Tyler, Smith County, Texas, and its mailing address shall be designated by the Chairman of the Board of Directors.

**Section 4.** Fiscal year shall be from April 1<sup>st</sup> to March 31<sup>st</sup>.

## **Article II. Purpose**

**Section 1.** The exclusive purpose of the corporation is social, pleasure and recreational, particularly the ownership and operation of the lake and all related facilities for the common use, recreation and pleasure of its members, the said corporation to be operated by the directors in such manner as to effectuate the proper and efficient maintenance and the operation of the corporation's facilities insofar as possible, within the financial means of the corporation for the sole and exclusive benefit and use of its members and direct guests of members.

**Section 2.** The organization shall be non-profit, and in every case shall be nonpolitical and non-sectarian. That this corporation does not contemplate pecuniary gain or profit to the members thereof, and that the funds of this organization, whether received by gift or otherwise and regardless of the source thereof, shall be used exclusively in the promotion of the business of the corporation as per the constitution and bylaws as the Board of Directors and/or membership may from time to time determine.

## **Article III. Membership**

Section 1. The rights of membership are subject to the payment of monthly or an annual dues, and special assessments levied by the corporation, the obligation of which assessments are imposed against each owner.

Section 2. The membership rights of any person whose interest is subject to dues, assessments, or charges under Article III, Section 2 hereof will be suspended automatically during the period when such dues or assessments remain unpaid, but upon payment of such dues or assessments, his rights and privileges shall be automatically restored.

### **Article V. Dues**

Section 1. Annual dues are One Hundred (\$100) Dollars per lot per year.

Section 2. Due to the damage to roads by excessive weight of trucks, future new home builders will be charged a one-time fee of \$1500.00 for road maintenance.

Section 3. Dues are payable February 1<sup>st</sup> and become delinquent April 1<sup>st</sup>.

Section 4. Lots that are delinquent more than sixty (60) days will be subject to having a lien filed with the Smith County Clerk Office. If you are delinquent with the payment of dues, please contact the Treasurer.

### **Article VI. General Meeting**

Section 1. The general meetings of the members shall be held the second Sunday of March.

Section 2. The general meeting may be held with not less than one-tenth (1/10) of the members having voting rights present.

### **Article VII. Board Meeting**

Section 1. The Board of Directors may designate any place within Smith County, Texas as the place of any monthly meeting or any special meeting to be called by the Board of Directors.

### **Article VIII. Board of Directors**

Section 1. The affairs of the corporation shall be managed by its Board of Directors. Board members need to be members in good standing.

Section 2. The number of Board of Directors shall not be less than five (5) nor more than nine (9). Each Director shall hold office until the end of the fiscal year.

Section 3. The majority of Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 4. The act of a majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5. Any vacancy occurring in the Board of Directors shall be filled by the member in good standing which is next in line on the voting list.

Section 6. Any Board Member absent for two monthly Board Meetings in succession or three Board Meetings in the fiscal year will be suspended and be replaced, at that meeting, by the member next in line on the voting list.

Section 7. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgement the best interests of the with the provisions of this corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

### **Article IX. Duties and Powers of the Board**

Section 1. Management of Corporation. The Board of Directors shall have the general charge and management of the affairs, funds, and property of the corporation. The Board shall have full power, and it shall be the Board's duty, to carry out the purposes of the corporation according to its Articles of Incorporation and Bylaws; to determine whether the conduct of any member is misconduct or any violation of the bylaws and rules.

Section 2. Rule Making. The Board of Directors shall make the rules for the conduct of the members and the use of the corporation property, and define and limit the fishing, boating, and swimming privileges of the members and their guests, not inconsistent however, with anything set forth in the bylaws.

### **Article X. Officers**

Section 1. The officers of the corporation shall be a Chairman, one or more Vice Chairmen, a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article.

Section 2. Chairman. The Chairman shall be the principle executive officer of the corporation and shall in general supervise and control all of the affairs of the corporation. He shall preside at all meetings of the members and the Board of Directors.

Section 3. Vice-Chairman. In the absence of the Chairman or in the event of his inability or the refusal to act, the Vice-Chairman shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman.

Section 4. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected by the Board of Directors.

Section 5. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records. The secretary shall keep a register of the post office address of each member which shall be furnished to the Secretary by such member and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Chairman or the Board of Directors.

## **Article XI. Committees**

Section 1. Committees. The Chairman or Board of Directors shall delegate committee heads to perform special duties, such as lake patrol, pool maintenance, workdays, social, building, road repair, etc. Such committee heads shall select their respective committee members.

Section 2. Additional Rules. The Board of Directors may establish and enforce all additional rules and regulations deemed necessary.

Section 3. Upon whom binding. Each and every member of the Association, his family, and guests shall be bound by and abide by these bylaws and rules.

## **Article XII. Tax Exemption**

Section 1. The corporation shall not do any act which shall constitute a basis for denial of tax exemption under applicable laws.

Section 2. The corporation shall not accumulate out of income amounts:

- a. Which are unreasonable in amount or duration in order to carry out the purpose or function constituting the basis for tax exemption of the corporation.
- b. Which are used to a substantial degree for purposes or functions other than those constituting the basis for tax exemption.
- c. Which are invested in such manner as to jeopardize the carrying out of the purpose or function constituting the basis for tax exemption.

## **Article XIV. Amendment to the Bylaws**

Section 1. These bylaws may be altered, amended, or repealed and new bylaws may be adopted by a majority of the directors present at any regular meeting, or at any special meeting, if at least two (2) days written notice is given of intention to alter, amend or repeal or to adopt new bylaws at such a meeting.