

## By-Laws for the Town Homes at Red Rock Meadows

Passed 9-6-16, Ratified 10-4-16, updated 2/25

Whereas the Covenants of the **The Town Homes At Red Rock Meadows Homeowners Association** (HOA) states that, “the Association has the power and authority to establish and amend rules, regulations, as well as these covenants so as to carry out all functions necessary to operate a town home owners' association and to promote and advance the aesthetic appeal of the community, protect property values, and develop the enjoyment of the community, including rules for any insurance program of the Association (ARTICLE III, Section 1), the following bylaws have been drafted for this purpose.

- I. Name and location: The name of the Association shall be **The Town Homes at Red Rock Meadows Home Owners Association**.
- II. Definitions – Definitions and terms used in the Bylaws will be consistent with those used and defined in Article I of the Covenants. In addition the following terms used herein are defined as follows:
  1. “Members in Good Standing” are those homeowners who are current (no more than 60 days) with their dues and have no unresolved Covenant violations.
  2. “Director” or “The Directors” refers to the members of the Board of Directors, as elected at the Annual Meeting.
- III. Member Meetings
  1. An Annual Meeting of Members shall be held in the month of May each year for the purpose of electing Board Members, setting the annual homeowners assessments, and conducting any other business placed on the agenda by the Board. Notice and quorum requirements are prescribed of the Covenants.
  2. Special Member meetings may be called by the Board or when the Board is presented a petition for such a meeting by a majority of the Members.
- IV. Board of Directors: Nomination, Election and Term of Office
  1. Board of Directors shall consist of a minimum of three (3) members.
  2. Directors must be HOA members in good standing and will be elected at the Annual Meeting of the HOA.
  3. Election to the Board of Directors shall be by secret written ballot at the Annual Meeting, or other such procedure as agreed upon at the meeting.
  4. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association.
  5. Term of Office. Board members serve a three (3) year term, and may serve up to two consecutive terms. Terms shall be staggered so that there will not be all new Directors elected at any given Annual Meeting.
  6. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be appointed by the Board and shall serve until the next Annual Meeting, at which point they are eligible for election, and if elected, can serve for two terms.

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7. Compensation. No director shall receive compensation for any service he/she may render to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of his/her duties.

### **V. Board of Directors: Officers**

1. Officers shall be elected from among the Board of Directors their first meeting of following each annual meeting of the members.
2. The officers of the Board shall consist of a President, Vice-President, Secretary and Treasurer.
3. Duties of Officers:
  - a) The President shall preside at all Board meetings, appoint committee members, shall see that the orders and resolutions of the Board are carried out, shall sign all leases, deeds, mortgages and other written instruments, may sign checks and promissory notes, and perform other duties as associated with the Board.
  - b) The Vice-President shall assume the duties of the President in case of the President's absence, inability, or refusal to act.
  - c) The Secretary shall be responsible for recording all votes and keeping the minutes of the Board and Association meetings; shall keep an up-to-date list of HOA members, their addresses and phone numbers; shall be the custodian of Association records, and shall perform such other duties as required by the Board.
  - d) The Treasurer shall see to it that all financial records of the organization, including income, expenditures and accounts payable and receivable, be kept in good order and present financial reports as needed or requested. The Treasurer shall prepare and annual budget and upon approval of the Board present it to the membership, along with a recommendation for dues, at the annual meeting of Association. Treasurer shall also see to it that an annual audit be made. Other duties may be prescribed as necessary.
4. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices.

### **VI. Board of Directors: Meetings**

1. Regular Meetings. Regular meetings of the Board of Directors shall be held as often as necessary to conduct Association business, and be open to any HOA member. Date and time of Board meetings will be posted on the HOA web site.
2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors.
3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.
4. Action Taken Without a Meeting. In the case of an emergency when timely action is necessary, the Directors shall have the right to take any action in the absence of a meeting which they could take at a regular meeting by obtaining the written approval (by e-mail, fax or letter) of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

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5. Conflict of interest. Any member of the Board who has a financial, personal, or official interest in, or conflict (or appearance of a conflict) with any matter pending before the Board, of such nature that it prevents or may prevent that member from acting on the matter in an impartial manner, will offer to the Board to voluntarily recuse him/herself and will vacate his seat and refrain from discussion and voting on said item.

### **VII. Board of Directors: Powers and Duties**

#### **1. Powers:**

- a) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions the Articles of Incorporation, the Covenants, or these Bylaws;
- b) Declare the office of a member of the Board of Directors to be vacant in the event such member shall have three (3) consecutive unexcused absences from regular meetings of the Board of Directors;
- c) Employ an independent contractor, or any such other employees as they deem necessary, to provide services to the HOA and to prescribe their duties; and,
- d) Suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association.
- e) Assess fine and/or interest charges (including, but not limited to, attorney's fees and other costs associated with collection of dues) to all accounts that are more than 60 days delinquent.
- f) Foreclose a lien against any property, or bring other legal action against the owner personally obligated to pay the same, for any assessments that are 90 days or more past due.

#### **2. Duties: It shall be the duty of the Board of Directors to:**

- a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting, when such statement is requested in writing by one fourth ( 3 ) of the members who are entitled to vote;
- b) Supervise all employees or contractors hired by this Association, and to see that their duties are properly performed. Insure that all contractors hired by the Association to be bonded and insured.
- c) Cause all employees or contractors having fiscal responsibilities to be bonded, as it may deem appropriate;
- d) Assure the payment of dues:
  - i. Propose the amount of the annual assessment (HOA dues) at the Annual Meeting;
  - ii. Send monthly written invoice (notice of dues) to every Owner;
  - iii. Give notice, assess fines, late fees and interest, and place liens against any property as necessary where HOA assessments are delinquent.

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### **3. Insurance and Indemnification**

- a) The HOA will procure and maintain liability insurance covering the Board of Directors.
- b) The Association shall indemnify each director, officer, employee or agent, or former director, officer, employee or agent who was or has been made a part or has been threatened to be made a party to any threatened pending or completed action, suit or proceeding, including actions by or in right of the organization, by reason of the fact that he or she is or was a director, officer, employee or agent of the organization from and against any and all losses, damages, liabilities, claims, judgments, settlements, costs and expenses, including attorneys fees, actually or reasonably incurred by such director, officer, employee or agent, resulting from, arising out of, relating to or in connection with such action, suit or proceeding if that person acted in good faith and in a manner that person reasonably believed to be in or not opposed to the best interests of the organization.

### **VIII. Committees.**

The Board will appoint the following Committees:

#### **A. Architectural Control Committee (ACC)**

1. Membership. The ACC shall have three members. One of the members shall be a Director and the other two shall be appointed by the President.
2. Authority of the ACC.
  - (a) The primary charge to the ACC is to maintain the character and aesthetics of the HOA. The secondary charge is to determine if the HOA might incur additional costs for services provided because of the changes.
  - (b) Owners wishing to make changes that can be viewed from the exterior, including those to landscaping, must make application to the ACC on a form provided by the Directors.
  - (c) The ACC is to make its recommendations to the Directors. The recommendation may be approve, reject, or approve with specified changes. The Directors shall make the final decisions.
  - (d) The ACC may from time to time be requested by the Directors to make recommendations regarding actions that have been taken or are contemplated.

#### **B. Nominating Committee**

1. The Nominating Committee will recruit and secure members in good standing to fill vacancies on the Board of Directors prior to each Annual Meeting.
2. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting.

The Board may appoint other standing and/or ad hoc committees as deemed appropriate in carrying out its purpose, including but not limited to the following, and any other such Committees deemed necessary for the functioning of the HOA. Each Committee should have at least one Board member and will not take action inconsistent with the Board.

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### **A. Lawn Maintenance Committee**

1. Oversees contract with mower and spraying
2. Deals with all issues related to lawn maintenance

### **B. Sprinkler System Committee**

1. Oversees sprinkler service contract
2. Coordinates fall maintenance with homeowners

### **C. Snow Removal Committee**

1. Oversees contract with snow removal contractor.
2. Deals with all issues related to snow removal.

### **D. Community Life Committee**

1. Encourages neighborhood communication
2. Plans periodic social events
3. Coordinates garage sales

## **IX. Financial Policies**

1. The fiscal year of the HOA shall be January 1 through December 31.
2. All expenses must be approved by the Directors at a Board meeting.
3. The Treasurer will present a financial report, including a monthly bank statement, to the Board of Directors at their monthly meetings.

## **X. Adoption and Amendments**

1. The initial bylaws of this HOA shall be adopted by its Board of Directors. The power to alter, amend or repeal the bylaws or adopt new bylaws shall be vested in the Board of Directors unless otherwise provided in the articles of incorporation or the Covenants. The bylaws may contain any provisions for the regulation and management of the affairs of a corporation not inconsistent with law or the articles of incorporation or with the Covenants.
2. These Bylaws may be amended either:
  - a) At a regular or special meeting of the Board of Directors, by a vote of a majority of a quorum of Directors present. They become effective once ratified by a majority vote of a quorum of those Directors present at the next regularly scheduled meeting of the Board, or
  - b) At a regular or special meeting of the HOA members, by a vote of a majority of a quorum of members present in person or by proxy, and become effective immediately.