

## **Governing Documents**

The following documents have been transcribed from the official documents of The Villages of Green Valley, as they have been amended from time to time. While care has been taken to avoid errors in transcribing from the official documents, inadvertent errors may have occurred and not been detected. In the event of any differences between these documents and the official ones, the official documents on file with Pima County shall control.

**BYLAWS OF  
THE VILLAGES of GREEN VALLEY HOMEOWNERS ASSOCIATION Inc.**

**ARTICLE I  
DEFINITIONS AND APPLICABILITY**

**Section 1.01. Definitions.** Unless the context otherwise specifies or requires, the words and phrases used in these By-laws shall have the same meaning as defined in Article I of the Master Declaration of Covenants, Conditions, and Restrictions of the Villages of Green Valley, recorded January 5, 1978 in Book 5686, ad Pages 754-816, in the office of the County Recorder of Pima County, State of Arizona.

- a. "Majority of owners" as used herein shall mean the homeowners owning more than fifty-one percent (51%) of the lots authorized to vote in accordance with the Master Declaration.
- b. "Residence" as used herein shall mean single-family residence as defined in Section 1.30 of the Master Declaration.
- c. "Master Declaration of Covenants, Conditions and Restrictions of The Villages of Green Valley" as used herein shall mean the Master Declaration of Covenants, Conditions and Restrictions of The Villages of Green Valley recorded January 5, 1978, in Book 5686, at Pages 754-816, in the Office of the Pima County Recorder, State of Arizona.

**Section 1.02. By-law Applicability.** The provisions of these Bylaws shall be applicable to the property which shall include all buildings erected, and all improvements made or to be made thereon.

**Section 1.03. Personal Application.** All present or future homeowners, tenants, or their employees, or any other person that might use the facilities on the property in any manner, are subject to the regulations set forth in these By-laws.

**Section 1.04. Interpretation.** These By-laws shall be interpreted and construed pursuant to and in accordance with all matters set forth in the Master Declaration of Covenants, Conditions and Restrictions of The Villages of Green Valley.

The mere acquisition or rental of any townhouse or detached single-family residence will signify that these By-laws are accepted and ratified, and will be adhered to by such purchaser or tenant.

**ARTICLE II**  
**MEMBERSHIP AND VOTING**

**Section 2.01.**

- A. Certificates of Membership.** Each homeowner is automatically a member of the Association. The Association shall, upon incorporation, issue the same number of certificates of membership in the Association as there are lots to Developer and one certificate of membership shall be transferred by Developer to each homeowner. In the event any lot is owned by two or more persons, a single certificate shall be issued in the name of all of said persons, and said persons shall designate to the Association, in writing, the one of their number authorized to vote said certificate at any and all meetings of the Association. No certificate shall be transferred to any person or persons other than a purchaser of that residence. Any member who has disposed of all his interest in any lot shall forthwith surrender his certificate evidencing membership in the Association, and a new certificate shall be issued in the name of the person or persons or entity acquiring his interest in a lot. Failure to surrender such certificate shall, nevertheless, upon the sale by a member of his interest in any lot void his certificate and all of his rights as a member of the Association. Each certificate held by a Class A member shall be entitled to one vote and each certificate held by a Class B member shall be entitled to three votes.
- B. Membership Transfers.** No certificate of membership in the Association held by a homeowner shall be transferred, pledged or alienated in any way except upon the sale of his lot, and then only to the purchaser of his lot. Any attempt to make a prohibited transfer shall be void and will not be reflected upon the books of the Association. In the event a homeowner shall fail or refuse to transfer the certificate registered in his name to the purchaser of his lot, the Association shall have the right to record the transfer upon the books of the Association and issue a new certificate to such purchaser, and thereupon the old certificate outstanding in the name of the seller shall automatically be null and void as though it had been surrendered.

**Section 2.02. Voting.** Homeowners shall have the number of votes for each lot owned as provided for in Section 7.03 of the Master Declaration and the right to vote may not be severed or separated from the ownership of a lot, except that any homeowner may give a proxy as provided for in the following Section 2.03. Any homeowner not in arrears in the payment of assessments as authorized by these By-laws and the Master Declaration shall be entitled to vote.

**Section 2.03. Proxies.** Votes may be cast by proxy provided that proxies are filed with the Secretary of the Association before the appointed time of the meeting. No proxy shall extend beyond a period of twelve (12) months and each proxy shall automatically cease upon sale by the member of his interest in his residence.

**ARTICLE III  
ADMINISTRATION**

**Section 3.01. Association Responsibilities.** The Association shall have the responsibility of administering the Association property, approving the annual budget, establishing and collecting assessments together with such other responsibilities as set forth in these By-laws and the Master Declaration. In general, the Association shall be the representative of each homeowner for every problem which affects more than one residence.

**Section 3.02. Annual Meetings of Homeowners.** There shall be an annual meeting of the homeowners on the third Monday in January of each year at 8:00 o'clock p.m. at the Recreation Center of The Villages of Green Valley. The Board of Directors may designate another date for such annual meeting not more than thirty (30) days before or after the date fixed for said annual meeting by written notice of the Board given to the homeowners not less than ten (10) nor more than sixty (60) days prior to the date fixed for said annual meeting specifying the date, time and place thereof.

**Section 3.03. Order of Business.** The order of business at all regular annual meetings of the Association shall be as follows:

- A. Roll call
- B. Proof of notice of meeting or waiver of notice.
- C. Reading of the minutes of preceding meeting.
- D. Report of Officers
- E. Report of committees.
- F. Election of Directors.
- G. Unfinished business.
- H. New Business.

**ARTICLE IV  
BOARD OF DIRECTORS**

**Section 4.01. Number and Qualifications.** The affairs of the Association shall be governed by a Board of Directors, who must be owners of record<sup>1</sup>, comprised of not more than nine (9) persons, nor less than three (3) persons.

**Section 4.02. Election and Term of Office.** Subject to the requirements of Section 4.01 of these By-laws, the Directors shall be elected in a regular annual meeting of the Association by a vote of a majority of owners present either in person or by proxy constituting a quorum, for a term of two (2) years for the three directors receiving the highest number of votes in the election year 2001. The balance of the directors elected that year will serve a one (1)

year term. In the following years elections, all directors will be elected for two (2) year terms and shall hold office until their successors are elected and qualify. The members of the Board may succeed themselves indefinitely only when no successors are found to be qualified and electable. In no instance shall there be more than one (1) Board member from each residence or lot. No director shall serve more than six (6) consecutive years. He may serve additional terms after a one (1) year break.

The Board of Directors prior to a regular annual meeting shall appoint a nominating committee to obtain a list of names of homeowners who desire to serve on the Board of Directors to be elected at the forthcoming regular annual meeting and the nominating committee shall inform the homeowners that it is accepting names of persons to serve on the Board of Directors. After the nominating committee

has determined which homeowners are willing to serve on the Board of Directors, it shall prepare a list of such names and submit it at the next regular annual meeting for a vote of the homeowners. A homeowner may be elected to the Board of Directors even though his name does not appear on the list prepared by the nominating committee. The nominating committee shall count and verify the ballots collected at the regular annual meetings.

There must be at least one townhouse member on the Board of Directors for every two single-family residence members on the Board of Directors, but in no way is this intended to limit the number of townhouse members.

All elections to the Board of Directors shall be made on a written ballot which shall be prepared in advance and contain:

- A. A description of the directorship to be filled;
- B. The names of those nominated by the nominating committee for such offices; and
- C. Contain a space for a write-in vote for each office.

All elections to the Board of Directors shall be by written ballot utilizing cumulative voting. At such election, the members or their proxies may cast votes equal to the number of offices to be filled, multiplied by the number of residences owned by the member in fee simple title. The person receiving the largest number of votes for each directorship shall be elected.

**Section 4.03. Vacancies.** Vacancies in the Board of Directors caused by any reason other than the removal of a Director by vote of the homeowners shall be filled by vote of the majority of the remaining Directors, even though they constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next regular annual meeting of the Association.

**Section 4.04. Removal of Directors.** At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a "majority of the Owners", as defined in Section 1.01 .a, of these By-laws, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

**Section 4.05. Organization Meeting.** The first organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order to legally constitute a meeting.

**Section 4.06. Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally by mail or telephone at least three (3) days prior to the day set for such meeting.

**Section 4.07. Special Meetings.** Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director, given personally by mail or telephone, which notice shall state the date, time, place and purpose of the meetings. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of

at least two (2) Directors. Notwithstanding the foregoing, a majority of the Directors may waive the three (3) days notice requirement for calling a special meeting and convene a special meeting at such date, time and place as agreed upon by a majority of the Directors, provided all Directors have been given notice.

**Section 4.08. Board of Directors Quorum.** At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors, if at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, providing a quorum is present, any business, which might have been transacted at the meeting as originally called, may be transacted without further notice.

**Section 4.09. Powers and Authority of the Board.** The Board of Directors shall have all the powers of an Arizona non-profit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Association's Articles of Incorporation, these By-laws and the Master Declaration. The Board shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of said Articles, these By-laws and the Master Declaration, and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association.

**Section 4.10. Taxes.** Homeowners shall pay all real estate and personal property taxes which may be assessed against their respective residences or lots. The Association shall pay all taxes levied upon any property conveyed, leased or otherwise transferred to the Association, to the extent not assessed to homeowners.

**Section 4.11. Fidelity Bonds.** The Board of Directors shall have the authority to require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate bonds. The premiums on such bonds shall be paid by the Association.

**Section 4.12. Assessments.** The Board of Directors shall levy and collect assessments pursuant to the provisions of these Bylaws and Article IX of the Master Declaration.

A. The Board of Directors shall provide for the keeping of books with detailed accounts affecting the administration of the Association property. The books and vouchers shall be made available for examination to any of the homeowners at convenient hours on working days. Within thirty (30) days prior to the end of the fiscal year, the Board shall appoint a finance committee consisting of at least two members of the Association, who are not directors, to review the books, vouchers, bank statements, operating expenses, reserve account, etc., of the Association for that fiscal year, which shall submit to the Board their written opinion of the financial condition of the Association, stating therein whether the account is in order or if not in order, the particulars pertinent thereto together with their recommendation whether or not an audit of the financial records of the Association is required. In the event the finance committee or the Board recommends an audit of the financial records of the Association, then the

Board shall advise the members of the Association, at the next annual meeting of the finance committee's or Board's recommendation for an audit, and upon a vote of twenty-five percent (25%) of the members in attendance at such annual meeting in favor of an audit, the Board shall then proceed to have such an audit performed which shall be at the expense of the Association. A copy or summary of such audit shall be delivered to each homeowner within thirty (30) days after completion thereof.

**Section 4.13. Rules and Regulations.** The Board of Directors shall have the power to adopt and publish rules and regulations governing the use of the Association property, and such rules and regulations shall be binding upon the members of the Association.

**Section 4.14. Liability of Board Members.** No member of the Board of Directors shall be personally liable to any homeowner for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, its representatives or employees provided that such Board member has upon the basis of such information as may be possessed by him, acted in good faith.

## **ARTICLE V** **OFFICERS**

**Section 5.01. Designation.** The principal officers of the Association shall be a President, a Vice President, a Secretary and Treasurer, all of whom shall be Directors. Any office may be combined with any other office, except the office of President and Secretary.

**Section 5.02. Election of Officers.** The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new board and shall hold office at the pleasure of the Board.

**Section 5.03. Removal of Officers.** Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

**Section 5.04. President.** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation, including but not limited to the power to appoint committees from among the homeowners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

**Section 5.05. Vice President.** The Vice President shall take the place of the President and *perform* duties whenever the President shall be absent or unable to act. If neither the President or the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

**Section 5.06. Secretary** The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; the Secretary shall have charge of such books and papers as the Board of Directors shall direct, and shall in general perform all the duties incident to the office of Secretary.

**Section 5.07. Treasurer.** The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association unless such function is delegated by the Board of Directors to a manager authorized under Section 7.05E of the Master Declaration. The Treasurer shall be responsible for the deposit of all monies and other valuable effects which he personally collects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors. All funds of the Association over which the Treasurer has direct control shall only be withdrawn upon his signature; the Board may require the signature of the members of the Board for disbursement of Association funds.

**ARTICLE VI**  
**AMENDMENTS**

**SECTION 6.01. By-laws.** These by-laws may be amended in the same method and manner as the Master Declaration.

**IN WITNESS WHEREOF**, the Association, a non-profit Arizona corporation, has hereunto caused its corporate name to be signed, its corporate seal affixed, and the same to be attested by the signature of its duly authorized officer this 16th day of January, 1978.

THE VILLAGES OF GREEN VALLEY HOMEOWNER'S ASSOCIATION,  
INC.,

A Non Profit Arizona corporation,

By: /s/Melvin Ritter President

ATTEST: /s/ J. David Harden, Jr. Secretary

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<sup>1</sup> Per amendment dated 1/23/95