

**Article I**  
**Applicability; Definitions; Location**

**Section I.**  
**Applicability.**

These By-Laws are adopted for the administration of the Association and property described in that certain Declaration of Covenants, Conditions, and Restriction (the "Declaration") recorded on ( ) under Clark County Auditor's Fee No.( ), together with such other property as may, from time to time, be made subject to said Declaration.

**Section 2.**  
**Definitions.**

The terms used in these By-Laws shall have the same meaning as in the Declarations, unless otherwise indicated.

**Section 3.**  
**Location.**

The initial office of the Association shall be located at ( )

**Article II**  
**Meeting of Members**

**Section I.**  
**Annual Meetings.**

The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent annual meeting of the members shall be held during the first two weeks of December of each year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. If the day for the annual meeting of the members is a Friday, Saturday or Sunday, the meeting will be held at the same hour on the first Monday of December.

**Section 2.**  
**Special Meetings.**

Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of one-fourth (1/4) the members entitled to vote.

**Section 3**  
**Notice of Meetings.**

Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting. Not less than fourteen nor more than sixty days in advance of any meeting, the secretary, or other officers shall cause notice to be hand-delivered or sent prepaid by first class United States mail to the mailing address of each owner or to any other mailing address designated in writing by the owner. The notice of any meeting shall state the time and place of the meeting and the business to be placed on the agenda by the board of directors for a vote by the owners, including the general nature of any proposed amendment to the articles of incorporation, bylaws, and, budget or changes in the previously approved budget that may result in a change in assessment obligation, and any proposal to remove a director.

**Section 4**  
**Quorum**

The presence at the meeting of members or proxies entitled to cast one third (1/3) of the votes of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation,

the Declaration, of these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as set forth above shall be present or be represented.

#### **Section 5**

##### **Proxies**

At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the members of his lot.

### **Article III**

#### **Board of Directors; Selection; Term of Office**

##### **Section 1, Number**

The affairs of the Association shall be managed by a Board of five (5) directors.

##### **Section 2**

##### **Term of Office**

At the first annual meeting the members shall elect one (1) director for a term of five (5) years, one (1) director for a term of four (4) years, one (1) director for a term of three (3) years, one director for a term of two (2) years, and one director for a term of one (1) year. Thereafter, at each annual meeting the members shall elect one (1) director for a term of five (5) years.

##### **Section 3**

##### **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 the death, resignation, or removal of a director, this successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

##### **Section 4**

##### **Compensation**

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

##### **Section 5**

##### **Action Taken Without a Meeting**

Any action which may or is required to be taken at a meeting of the members may be taken without a meeting if one or more written consents setting forth the action so taken shall be signed, either before or after the action taken, by 2/3 of the members entitled to vote with respect to the subject matter thereof. Action taken by written consent of the members is effective when all consents are in possession of the corporation, unless the consent specifies a later effective date. Whenever any notice is required to be given to any member of the corporation pursuant to applicable law, a waiver thereof in writing signed by the person or persons entitled to notice shall be deemed equivalent to giving of notice.

### **Article IV**

#### **Nomination and Election of Directors**

##### **Section 1**

##### **Nomination**

Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations also may 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 (2) or more members of the Association. 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. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members.

## **Section 2**

### **Election**

Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## **Article V**

### **Meeting of Directors**

#### **Section 1**

##### **Regular Meetings**

The Board of Directors shall hold regular meetings as often as the Board deems necessary to fulfill its duties and obligations. Such regular meetings shall be held at such place and hour as may be fixed from time to time by resolution of the Board. The Board shall hold an annual meeting on the day following the annual meeting of the members. All members shall receive notice of the annual Directors' meeting in the manner set forth in Article II.

#### **Section 2**

##### **Special Meetings**

Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any three (3) directors, after not less than three (3) days notice to each director.

#### **Section 3**

##### **Quorum**

A majority of the number of directors shall constitute a quorum for the transaction of business. Every act of decision done or made by a majority of the directors present shall be regarded as the act of the Board.

## **Article VI**

### **Powers and Duties of the Board of Directors**

#### **Section 1**

##### **Powers**

The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the common properties and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.
- (b) 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 of these By-Laws, the Articles of Incorporations, or the Delegation.
- (c) Declare the office of a member of the Board of Directors to be vacant in the event such members shall be absent without excuse form three (3) consecutive regular meetings of the Board of Directors.
- (d) Employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe their duties.

## **Section 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(1/4) of the members.
- (b) Supervise all officers, agents and employees of this Association, and see that their duties are performed properly.
- (c) As more fully provided in the Declaration, to:
  - (1) Fix the amount of the annual assessment against each lot at least fifteen (15) days in advance of each calendar year
  - (2) Send Written notice of each assessment to every owner subject thereto at least ten (10) days in advance of each calendar year.
- (d) Issue, or cause an appropriate office to issue, upon demand by any person, a receipt setting forth whether or not any assessment has been paid. If a receipt states an assessment has been paid, such receipt shall be conclusive evidence of payment.
- (e) Procure and maintain adequate liability and hazard insurance on property owned by the association
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.
- (g) Cause the common area to be maintained.

## **Article VII**

### **Officers and Their Duties**

#### **Section 1**

##### **Enumeration of Officers**

The officers of the Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

#### **Section 2**

##### **Election of Officers**

The election of officers shall take place at the annual meeting of the Board of Directors.

#### **Section 3**

##### **Term**

The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

#### **Section 4**

##### **Special Appointments**

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

**Section 5**  
**Resignation and Removal**

Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 6**  
**Vacancies**

A vacancy in any office may be filled by appointment by the Board, except that the Vice President shall automatically fill a vacancy in the office of the President for the remainder of the President's term. The officer appointed to such a vacancy shall serve for the remainder of the term of the officer he replaces.

**Section 7**  
**Multiple Offices**

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 except in the case of special offices created pursuant to Section 4 of this Article.

**Section 8**  
**Duties**

The duties of the officers are as follows:

- (a) President. The president shall preside at all meetings of the board of Directors, shall see that all orders and resolutions of the Board are carried out, shall sign all leases mortgages, deeds, and other written instruments, and shall co-sign all checks and promissory notes.
- (b) Vice-President. The vice-president shall act in the place and instead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board.
- (c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of all the members, keep the corporate seal of the Association and affix it on all papers requiring said seal, serve notice of meetings of the Board and of the members of the Association together with their addresses, and shall perform such other duties as required by the Board.
- (d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all moneys of the association and shall disburse such funds as directed by resolution of the Board of Directors, shall sign all checks and promissory notes of the Association, keep proper books of account, cause an annual audit of the Association books to be made by a public accountant, at the completion of each fiscal year, and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members. The treasurer shall include in the annual report a list of those owners who are delinquent in the payment of assessments.

**Article VIII**

**Committees**

The Declarant and the Board shall, as set for the in the Declarations, appoint an Architectural Control Committee, and the Board shall appoint a Nominating Committee, as provided in the By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

**Article IX**

### **Books and Records**

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, and they By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

## **Article X**

### **Section 1**

#### **Assessments**

As more fully provided in the Declaration, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve (12) percent per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessments provided for herein by nonuse of the common area or abandonment of his lot.

### **Section 2**

#### **Automatic Assessment Adjustments**

In order to meet our financial commitments as detailed in Article VI, Section 2, the Association must maintain a reserve fund. As a non profit organization, the Association shall not attempt to make a profit.

The Association shall try to keep a minimum reserve balance of at least one half (50%) of the annual expenses and not more than 100% of the annual expenses, as calculated on December 1<sup>st</sup> of each year.

If the balance goes below the minimum balance line, then the next years annual assessment will increase \$25 per household. If the balance goes above the maximum balance line, then the subsequent years annual assessment will decrease \$25 per household. Once the assessment changes, that will be the assessment for each following year until the minimum or maximum balance is not maintained, at which point the annual assessment will be adjusted again.

## **Article XI**

### **Corporate Seal**

The Association shall have a seal in circular form having within its circumference the words: Highland Ridge Home Owner's Association.

## **Article XII**

### **Amendments**

### **Section 1**

These By-Laws may be amended at a regular or special meeting of the members by a vote in person or by proxy of a simple majority of the members.

### **Section 2**

In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

**Article XIII**  
**Amendments**

**Section 1**  
**Fiscal Year**

The fiscal year of the Association shall coincide with the calendar year, except that the first fiscal year shall begin on the date of incorporation.

Document History:

2012.01.26 – Article II, Section 1, amended to shall be held the first two weeks of Dec. Approved 01/26/2012

2007.12.03 – Article X, Section 2, Automatic Assessment Adjustments section added. Approved 12/1/2007

2006.12.01 – Article II, Section 1 amended so that the annual meeting is not held on Friday, Saturday, or Sunday.

2005.05.01 – Document reviewed by attorney

2004.09.29 – Document approved by HOA membership