

EHHA Bylaws

ARTICLE 1

NAME

The name of the group shall be Enchanted Hills Homeowner's Association, Neighborhood Association, Inc., herein referred to as EHHA or the Association.

ARTICLE 2

BOUNDARIES

The Boundaries shall include all areas located within subdivisions Enchanted Hills – Unit 1 through Enchanted Hills – Units 14A and 14B, and any other additional subdivisions that may be added to the Enchanted Hills' group, located in the City of Rio Rancho, County of Sandoval, New Mexico.

ARTICLE 3

PURPOSE

Section 1: The purpose of the association shall be to promote a diverse and sustainable community, to unite the community through social interaction, and to express the community's needs and concerns through communication and good working relationships between the Association and other community organizations including but not limited to State, County and City Governments.

Section 2: The Association will operate exclusively for the social and educational purposes of the Enchanted Hills neighborhood specifically and the City of Rio Rancho generally, as described under Section 501(c)(3) of the Internal Revenue Code.

Section 3: The Association is nongoverning.

ARTICLE 4

MEMBERSHIP

Section 1: Any homeowner, or resident of the homeowner's household age 18 or older, living within the boundaries of the Association shall be eligible to become a voting member of the Association.

Section 2: A maximum of one (1) vote per current paid voting membership shall be allowed.

Section 3: No corporation, real-estate company, or property management company shall become a voting member.

Section 4: Membership will be valid for twelve (12) months from the date the applicable membership dues, if any, are paid in full.

Section 5: Other membership classifications will be available for all non-voting adults and businesses.

Section 6: Classifications of Membership with the Association shall be:

- a. Individual
- b. Associate
- c. Sponsor
- d. Honorary

Section 7: Qualifications and Requirements of the Membership Classifications shall be:

- a. Individual: Any homeowner or person of legal voting age who permanently resides with the homeowner within the existing boundaries of the Enchanted Hills Subdivision as set forth in ARTICLE 2 Boundaries herein, may, upon submission of current dues, become an Individual member of EHHA.
- b. Associate: Any person, not qualifying for Individual membership in the Association, may apply for the Associate membership. Upon approval of the Board and a majority vote of EHHA eligible voting members present at an official Association meeting, said person may be accepted as an Associate member. An Associate member may not hold elected office or vote on matters pertaining to Association business. The Board may nominate an Associate member to serve as a committee member and/or as the chairperson of a committee. Associate members will not be required to pay annual dues.
- c. Sponsor: An organization, business or group may support EHHA by application to and approval of the Board. The applicant will be awarded Sponsor membership in EHHA in accordance with contribution and/or participation guidelines established by EHHA's Board of Directors. Sponsor members shall not hold office or be authorized voting privileges.
- d. Honorary: Any person, who is nominated through and approved by the Association's Board of Directors and subsequently approved by a majority of EHHA eligible voting members present at an official Association meeting, may be awarded Honorary membership in the Association. The Board may nominate an Honorary member to serve as a committee member.

Section 8: Termination. Individual, Associate, Honorary or Sponsor membership may be terminated for due cause by two-thirds (2/3) majority vote of the Board of Directors and two-thirds (2/3) majority vote of Individual members present at an official special or general membership meeting of EHHA. Due cause includes, but is not limited to, conflict of interest, and actual and/or suspected illegal activities.

Section 9: Dues. The dues of the classifications of membership in the Association and methods of proration for membership, if any, shall be determined by the Board of Directors. The application for membership form will reflect the current dues for all classifications of membership.

Section 10: Voting. Each voting member in good standing will have one (1) vote. Such members may vote by signed absentee ballot or electronically according to rules set forth by the Association. Absentee

ballots must be turned into the Secretary within one (1) week of the General Meeting where a vote occurred or, in the case of electronic voting, by the deadline specified for such electronic vote. The Board of Directors has the option to require written ballots with proof of membership in the Association. Only Individual members as described in ARTICLE 4 herein shall have a vote. Any voting eligible member may elect to proxy her/his vote to a voting eligible person of her/his choice.

ARTICLE 5 THE BOARD AND OFFICER ELECTIONS

Section 1: Board Role, Size, Composition, Compensation. The governing body of the Association shall be a Board of Directors consisting of four (4) elected officers and a minimum of three (3) but no more than seven elected members-at-large.

Section 2: Election and Term. The officers and board members-at-large will all be elected by general membership, from eligible voting members whose membership dues are paid and current, to serve a two (2) year term.

Section 3: Roles. EHHA's Board members may undertake, as decided by Board vote, special assignments. Each Board member shall play an active role in the activities of the Association.

Section 4: Vacancies. Vacancies occurring on the Board or in officer positions during an incumbent's term of office shall be filled by appointment by the President of the Association until the next bi-annual election at which time the vacancy shall be filled by a majority vote of the present and voting eligible membership at the annual meeting of the general membership.

Section 5: Removal. Any member of the Board or agent of the Board may be removed by the vote of at least two-thirds (2/3) of the entire Board whenever in its judgment the best interests of the Association thereby may be served. Such removal shall be without prejudice, if any, of the person so removed. Causes for removal may include but are not limited to real or perceived conflict of interest, illegal activities, incompetence in office, and/or malfeasance.

Section 6: Resignation. Elected officers may resign at any time by giving written notice to the Board. Such resignation shall take effect at the time specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7: Compensation. The board receives no compensation other than documented reasonable expenses incurred.

Section 8: Attendance. A member of the Board of Directors shall be removed for excess absences from the Board if he/she has three unexcused absences to board meetings in a calendar year.

Section 9: Indemnification. The Association shall indemnify any Board member, officer, or former Board member or officer of EHHA through an insurance vehicle, against all expenses actually and reasonably

incurred by him /her in connection with the defense of any action, suit, or proceeding, civil or criminal, in which he/she is made a party by reason of being or having been a director or officer, except in relation to matters as to which he/she is adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty. Such indemnification shall not be exclusive of any other indemnification provided for in the Articles of Incorporation or any Bylaw, by resolution or otherwise. The Association shall be authorized to purchase insurance or other similar device for the purpose of such indemnification.

ARTICLE 6 BOARD OFFICERS AND DUTIES

Section 1: All officers and board members-at-large elected or appointed to EHHA's Board of Directors shall reside in the Enchanted Hills area of Rio Rancho, New Mexico.

Section 2: Officers. Officers are the board's President, Vice-President, Secretary, and Treasurer.

Section 3: President. The President shall:

- supervise all of the business and affairs of the Association;
- preside at all meetings of the Board of Directors and general membership;
- perform all duties commonly incidental to such office and such duties as the Board of Directors shall designate;
- make an annual report of the business and activities of the Association for the preceding fiscal year to the general membership at the annual meeting and file such report with EHHA's Secretary;
- sign such papers as may be required by this office or as may be incidental to the office, including such organizational and tax reporting as may be required by the U.S. Internal Revenue Service and/or the State of New Mexico, and shall report such signings to the Board of Directors and provide the Association's Secretary with a full copy of such papers.

Section 4: Vice-President. The Vice-President, when necessary, shall:

- perform the duties of the President and shall succeed to the presidency in the event of the absence, death, disability, removal from office, or resignation of the President until such time as a successor to the President shall be elected by the voting eligible membership;
- sign such papers as may be required by this office or as may be incidental to the office, and shall report such signings to the Board of Directors and provide the Association's Secretary with a full copy of such papers.

Section 5: Secretary. The Secretary shall:

- take minutes of all meetings of the Board and of all general membership meetings;
- keep minutes of all meetings of the Board of Directors, the general membership and committee meetings;

- keep all records of the Association;
- give notice of all meetings;
- perform whatever similar duties are specifically assigned by the Board;
- sign such papers as may be required by this office or as may be incidental to the office, and shall report such signings to the Board of Directors and return a full copy of such papers.

Section 6: Treasurer. The Treasurer shall:

- be responsible for the receipt and disbursement of all funds of the Association ;
- have custody of corporate funds and securities of the Association;
- collect and keep full and accurate account of all monies due, received and paid out by the Association;
- pay all expenses authorized by EHHA’s Board of Directors;
- deposit all corporate monies and other valuable effects in the name, and to the credit, of the Association in the depository or depositories of the Association;
- render an account of his/her transactions as Treasurer and of the financial condition of the Association to EHHA’s Board of Directors upon request;
- submit financial reports for each calendar month of the year, and deliver a report for the preceding month(s) at every general membership meeting;
- sign such papers as may be required by this office or as may be incidental to the office, and shall report such signings to the Board of Directors and provide the Association’s Secretary with a full copy of such papers;
- prepare, for review by the Board of Directors and submission by the President, any and all organizational and tax reporting as may be required by the United States Internal Revenue Service and/or the State of New Mexico.

The signature of the Treasurer is required for the withdrawal of funds. Any required second signature shall be that of the Association’s President, or of the Vice-President as specified in Section 4 of this article. No checks shall be made out to “cash”.

Section 7: Immediate Past President. If willing, the immediate past President will serve as a member of the Board of Directors of EHHA to provide continuity of purpose following the election of new members to the Board. The Immediate Past President will serve as an Ex-Officio member of the Board, in an advisory capacity only, and will have no voting privileges.

Section 8: Other Officers. Other officers, as may be required, shall perform such duties and have such powers as may be assigned to them in writing by EHHA’s Board of Directors.

Section 9: Removal. Any officer may be removed from office by a majority affirmative vote of a quorum of the Board of Directors at any regular or special meeting of EHHA’s Board of Directors.

Section 10: Conflict of Interest. No Board member may participate in any decision making process when said person or member of his/her immediate family, or any party, group or organization to which said person has allegiance, and/or may have an interest that may be seen as competing with the

interests or concerns of the Association. When there is doubt as to whether a conflict of interest exists, the matter shall be resolved by a vote of the Board, excluding the person(s) who may have the possible conflict.

ARTICLE 7 MEMBERSHIP MEETINGS

Section 1: General Membership Meetings. Meetings of the general membership will be held monthly excluding July and August.

Section 2: Meetings to elect officers and board members-at-large. Meetings of EHHA's general membership to elect officers and board members-at-large shall be held in April preceded by an open forum in January to identify candidates. Consent of any candidate must be secured before the name may be placed in nomination.

Section 3: Special meetings. Special meetings of the general membership may be called by a majority of the Board of Directors or its President.

Section 4: The time and place of general membership, annual, and special membership meetings shall be announced to each member, a minimum of 24 hours prior to the meeting and by at least one of the following: e-mail; mail; newspaper; flyer; legal and properly placed signs.

Section 5: Agenda. All membership meetings of the Association shall include: call to order; declaration of a quorum being present, approval of the minutes of the preceding membership meeting; reports of committees; reports of officers; old and unfinished business; new business; adjournment. Parliamentary rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the convention in all cases to which they are applicable and in which they are not inconsistent with the bylaws of the Association and these standing rules.

ARTICLE 8 BOARD MEETINGS

Section 1: Meetings of the Board of Directors will be held at least monthly.

Section 2: Special meetings of the Board of Directors may be called by a majority of the board or by its President.

Section 3: The time and place of the regular or special Board meeting shall be announced to each Board Member by phone and/or e-mail.

Section 4: A simple majority of the number of sitting Board members, as fixed by these Bylaws, shall

constitute a quorum for the transaction of business at any meeting of the Board of Directors; a vote of a simple majority, but not less than four (4), of the Board members in attendance at the Board meeting shall be required to be an act of the Board of Directors.

Section 5: Quorum. A quorum must exist prior to the conduct of official business. If a quorum is not present, the President of the Board may reschedule the meeting. A quorum, once attained at a meeting, shall be deemed to continue until adjournment, notwithstanding the voluntary withdrawal of enough directors to leave less than a quorum.

Section 6: Proxies. There shall be no proxy voting on matters before the Board of Directors.

Section 7: Agenda. All Board meetings of the Association shall include: call to order; declaration of the presence of a quorum, approval of the minutes of the preceding membership meeting; reports of committees; reports of officers; old and unfinished business; new business; adjournment. Parliamentary rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the convention in all cases to which they are applicable and in which they are not inconsistent with the bylaws of the Association and these standing rules.

Section 8: Conducting Meetings by Email. Outside the venue of a regular or special Board meeting, any Board member may introduce a motion at any time for consideration and vote by the full Board. No chairperson is required for this process. The motion may be presented to the Board via email. The email must be sent simultaneously to all Board members. The motion may be seconded by any Board member in an email sent simultaneously to all Board members. Discussion may proceed via email(s) submitted by any Board member, in no fixed order, to all other Board members. Debate and discussion must conclude no later than seven calendar days from the date and time the motion is made. At that time, the author of the motion will send an email to all Board members, requesting that each Board member submit his/her vote via email to the motion's author. The subsequent voting must be completed within 48 hours of the author's request. The motion's author will tally and transmit the vote totals via email to all Board members. The Secretary will print a hard copy of the vote tally and will retain that copy as part of EHHA's official records.

ARTICLE 9 COMMITTEES

Section 1: Establishment. At any meeting, the Board of Directors may establish necessary committees and/or subcommittees. A committee Chairperson may establish associated subcommittees.

Section 2: Members. Committee members shall be volunteers.

Section 3: Chairperson. The Committee members or the Board of Directors may appoint a committee Chairperson.

Section 4: Compensation. Committee members receive no compensation other than documented

reasonable expenses incurred.

Section 5: No report, recommendation, or other action of any of the committee members shall be considered an act of the Association membership unless or until it has been approved by EHHA's Board of Directors or by a majority affirmative vote of EHHA's voting eligible General Membership at a regular general membership meeting.

Section 6: Agenda. All committee meetings of the Association shall include: call to order; approval of the minutes of the preceding committee meeting; old and unfinished business; new business; adjournment.

Section 7: Standing Committees. The Standing Committees of the Board shall consist of the following: Finance/Budget Committee, Leadership Development/Nominating Committee, Membership Committee, Public Information Committee, and such other committees as the Board shall designate.

- a. Finance/Budget Committee shall be responsible for overseeing EHHA financial transactions and reporting, and for developing an annual budget and financial policies and procedures for the Association.
- b. The Fund-Raising Committee shall organize fundraising events, recruit sponsors, and carry out other means of generating funding for EHHA activities.
- c. Leadership Development/Nominating Committee shall be responsible for recommending and developing courses for board member training and for creating and implementing informative and effective board recruitment, nomination, training, and retention processes aligned with EHHA's mission and nonprofit status.
- d. The Membership Committee shall be responsible for encouraging participation in the Association. The Membership Committee Chairperson shall be responsible for keeping the Associations' membership records and files, and sending, by mail and/or email, acknowledgments of membership and membership renewal forms.
- e. The Public Information Committee shall be responsible for publication of any required notices, the preparation and circulation of any Association newsletter, and for the content of the Association's website and its pages. The Chair shall also be responsible for publicity, including notification to news media of Association activities, events and official business.
- f. To meet special needs, Ad Hoc Committees can be appointed from time to time from members of the Board and membership-at-large. These committees, after having fulfilled their designated tasks, will be disbanded.

ARTICLE 10 MONETARY MATTERS

Section 1: No member, director, or officer shall, directly or indirectly, receive any compensation or monetary benefit from the Association, except to be reimbursed for expenses that have been pre-approved by a majority affirmative vote of a quorum of the Board of Directors.

Section 2: Prohibition against Loans. The Association shall not make loans to any member of the Association.

Section 3: Gifts. The Board may accept or refuse on behalf of the Association any contribution, gift, bequest, or devise for the general purpose, or of any special purpose, of the Association.

Section 4: The membership shall appoint two (2) members, in good standing and with their consent, to conduct an annual audit and report to be completed and submitted at the annual meeting in April. If qualified members cannot be found, the Board is authorized to retain an independent auditor or a certified public accountant to meet the annual audit requirement. An estimated budget will be presented by the Board at each annual meeting.

ARTICLE 11 TAX EXEMPTION PROVISIONS

Limitations on Activities. No substantial part of the activities of the Association shall involve propagandizing or otherwise attempting to influence legislation (except as otherwise provided by Section 501 (h) of the Internal Revenue Code). The Association shall not participate in nor intervene (including the publishing or distribution of statement(s)) in any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provisions of these Bylaws, the Association shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under 501 (c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170 (c)(2) of the Internal Revenue Code.

ARTICLE 12 DISSOLUTION

Special Meeting. The EHHA may be dissolved with approval of two-thirds (2/3) of the total voting members at a Special Meeting called for the specific purpose of dissolving the EHHA. In the event of dissolution of the Association, the Board of Directors shall, after payment of all outstanding liabilities of the Association, dispose of the remaining funds to a non-profit charity of their choice as shall be wholly within the limitations of the provisions of section 501(c)(3) of the Internal Revenue Code or any applicable corresponding section of the law.

ARTICLE 13 CONSTRUCTION AND TERMS

Articles of Incorporation. If there is any conflict between the provisions of these bylaws and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall govern. Should

any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected by such holding. All references in these bylaws to the Articles of Incorporation shall be filed with the Secretary of this State and used to establish the legal existence of the Association. All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

ARTICLE 14
MISCELLANEOUS PROVISIONS

The headings throughout these bylaws are for convenience and reference only and shall in no way be deemed to define, limit or add to the meaning of any provision hereof.

ARTICLE 15
AMENDMENTS

Section 1: Meeting. The bylaws may be amended at any regular or special meeting of the general membership by two-thirds (2/3) vote of those in attendance.

Section 2: Notification. Bylaws amendments will not be voted on without at least fourteen (14) calendar days prior notification. Notification will be by flyers, mail, newspaper, properly placed signs, and/or e-mail.

Section 3: Adoption. Amendments adopted shall be consistent with the Articles of Incorporation.