

Abbe Springs Ranches Homeowners' Association, Inc. By-Laws

A Non-Profit Corporation

Article I. Definitions

1. Association shall mean and refer to ABBE SPRINGS RANCHES HOMEOWNERS' ASSOCIATION, INC., its successors and assigns, a not for profit New Mexico corporation.
2. Corporation shall mean the Association as incorporated under the New Mexico Nonprofit Corporation Act.
3. Owner shall mean a record holder of beneficial or equitable title and legal title if legal title has merged with the beneficial or equitable title, to the fee simple interest in any lot. Owner shall not include:
 - (a) A person having an interest in a lot merely as security for the performance of an obligation; or
 - (b) A tenant of the lot.
4. General Common Facilities shall mean and include all roads as shown on the subdivision plats, except County Roads which are both publicly owned and maintained roads.
5. Common Area shall mean and refer to those areas on the recorded plats designated as common areas, if any.
6. Common Expenses means and includes expenses of administration, operation, maintenance, repair or replacement of the general common facilities; expenses declared common expenses by provisions of the By-Laws of the Association; and all sums lawfully assessed by the Board of Directors against the lots and the general common facilities.
7. Member shall include and refer to every person or entity holding Membership in the Association.
8. BOD shall mean the duly elected Board of Directors of the Corporation.
9. Annual Meeting shall mean the Members' annual meeting, scheduled each first Saturday in March, of the Association to conduct business matters.

Article II. Office

The principal office for the transaction of business of the Association is an address as designated by the Secretary of the Association.

Article III. Membership and Voting Rights

Section 1. The Owner of each lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any of the lots.

Section 2. Members who are in good standing and current with their assessment payments shall have one vote for each lot owned.

Section 3. All matters will be decided by a simple majority of the votes cast on any given question or issue.

Section 4. At the Annual Meeting, all votes shall be by a show of hands of all Members present, then in good standing. Votes of Members, then in good standing, on all other matters will be counted if the ballot is received by US Mail, e-mail or fax by the designated voting deadline at the Principal Office.

Section 5. Each Member of the Association shall be subject to the provisions of the "Articles of Incorporation", these "By-Laws" and the "Declaration of Covenants, Easements and Restrictions" for "Abbe Springs Ranches Subdivision."

Section 6. The Membership held by any Owner of a lot shall not be transferred, pledged or alienated in any way, except upon the sale of such lot. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association.

Section 7. Membership in this Association shall automatically terminate when a Member sells his/her lot and automatically transfers to the purchaser of said lot.

Section 8. Each Member shall pay an annual assessment fee to the Association. The annual assessment fee shall be reviewed by the BOD and presented to the Members for approval at each Annual Meeting. Minor assessments of \$25.00 or less shall be assessed by the BOD, without Association approval.

Section 9. All assessments are to be paid by the due date. The due date is the date of the Annual Meeting. Any assessments not paid within thirty (30) days of the due date will accrue a penalty interest equal to 12% annually. Each such assessment, together with such interest, costs and reasonable attorney fees, shall be the personal obligation of the person(s) who was the Member of the Association on the date the assessment fell due. All assessments plus interest must be paid in full before the Annual Meeting. Any payments under this Section shall be considered received by the Association on the date it is actually received by the Treasurer/Secretary.

The Association may, at its option, bring an action at law against the Member personally obligated to pay the assessments, and there shall be added to the amount of such assessment a late charge, the costs of preparing and filing the complaint of such action, and in the event a judgment is obtained, such judgment shall include said interest and reasonable attorney fees, together with the costs of action. Each Member vests in the Association, or its assigns, the right and power to bring all actions at law against such Member or other Member for the collection of such delinquent assessment. No action shall be commenced against a Member for the collection of such delinquent assessments unless and until thirty (30) days prior written notice of said delinquency shall have been furnished to said Member by Certified Mail, Return Receipt Requested, addressed to the Owner of record of the lot to which said assessment pertains at his/her address as reflected in the books and the records of the Association. Proof of the mailing shall be established by one of the following: (1) a receipt signed by the Member or his/her agent; (2) the return of the notice to the Association reflecting acceptance of such notice was refused by the Member or his/her agent; or (3) the affidavit of the party mailing the notice.

Article IV. Meetings of Members

Section 1. All meetings of Members shall be held at a location and time as determined by the BOD. Minutes will be recorded for all meetings and made available to Members. Minutes of all meetings will be posted on the association's website.

Section 2. The Annual Meeting of the Members of the Association shall be held each year on the first Saturday of March.

Section 3. Special Meetings for any purpose may be called by a majority vote of the BOD. A minimum of thirty (30) days notice will be mailed, and posted on the Association website, to all Members for all Special Meetings.

Section 4. Notice of all meetings shall be given to each Member by mail to his/her address appearing on the books of the Association or by e-mail for each Member who has provided the Association with a valid e-mail address. Notice shall include the time, location and agenda of the matters to be considered at the meeting.

Article V. Directors

Section 1. Powers: Subject to the limitations of the "Articles of Incorporation", these "By-Laws", the "Declaration of Covenants, Easements and Restrictions" and of the New Mexico Corporation Code as to action to be authorized or approved by the Members, and subject to the duties of the Directors as prescribed by these "By-Laws", all corporate powers shall be exercised by or under the authority of, and business and affairs of the Association shall be controlled by, the BOD. Without prejudice to such powers, but subject to the same limitations, the Directors are vested with and shall have the following powers, to-wit:

- A. To select, appoint, and remove all officers, agents, and employees of the Association, to prescribe such powers and duties for them as may be consistent with law, with the "Articles of Incorporation", "the Declaration of Covenants, Easements and Restrictions" and these "By-Laws", to fix their compensation and to require from them security for faithful service when deemed advisable by the BOD.
- B. To conduct, manage and control the affairs and business of the Association and to make and enforce such rules and regulations therefore consistent with the "Articles of Incorporation", these "By-Laws", and the "Declaration of Covenants, Easements and Restrictions" for "Abbe Springs Ranches Subdivision", as the BOD may deem necessary or advisable.
- C. To borrow money and to incur indebtedness for the purposes of the Association, and to cause to be executed and delivered therefore, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges or other evidences of debt and security therefore.
- D. Enforce the provisions of the "Articles of Incorporation", these "By-Laws" and the "Declaration of Covenants, Easements and Restrictions" for "Abbe Springs Ranches Subdivision" or other agreements of the Association.
- E. To maintain such policy or policies of insurance as the BOD of the Association deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and its Members.
- F. To contract for and pay for services rendered for the operation of the Association, including maintenance, legal and accounting.
- G. To establish and maintain a contingency fund in the amount of not less than \$30,000. The contingency fund is intended to cover unforeseen and/or expenses not budgeted.
- H. To invest the excess working capital of the Association in a fully insured instrument.
- I. To maintain the Corporate Records.

- J. To schedule and oversee a CPA audit of the Association's books of account not less than every three (3) years.
- K. To create a Standing Committee(s), at the discretion and need of the BOD, to conduct such Association business on behalf of the BOD and report its findings to the BOD. Each Standing Committee will be provided a Charter defining that Standing Committee's scope of responsibility.
- L. To delegate its powers according to law.

Section 2. Number and Qualification of Directors:

- A. The number of Directors of this Corporation shall be as stated in the Articles of Incorporation.
- B. A Member of the Association in good standing at the time of an election for office is qualified to run for the office of Director of the Corporation.

Section 3. Election and Term of Office:

- A. An elected Director's term of office shall be three (3) years.
- B. Director(s) shall be elected annually at each Annual Meeting of the Members by a simple majority of the votes cast by the Members in attendance plus all ballots, written, fax and email, received prior to the date of the Annual Meeting from Members not in attendance .
- C. Candidates for Director shall place their names in nomination by sending a letter or e-mail, including a two-paragraph bio, to the Secretary/Treasurer not later than sixty (60) days prior to the Annual Meeting.
- D. A ballot will be mailed or e-mailed to all Members not later than thirty (30) days prior to the Annual Meeting.

Section 4. Vacancies:

- A. Vacancies on the BOD must be filled by a majority vote of the remaining Directors. An appointed Director shall hold office until the next Annual Meeting. Director(s) elected to fill a vacancy shall serve the remaining term of the vacated position.
- B. A vacancy shall be deemed to exist in case of the death, resignation or removal of any director.
- C. Any Director may be removed without cause by concurrence of two-thirds (2/3) of the votes cast by the Members at an Annual Meeting or by a majority vote of the BOD.

Section 5. BOD Meetings:

- A. Meetings of the BOD may be scheduled at the discretion of the BOD. All Members of the BOD must be present. The BOD shall meet a minimum of four (4) times each calendar year.
- B. The BOD shall meet immediately following the Annual Meeting to elect Presiding Officers of the Association.
- C. Minutes will be recorded during any BOD meeting, published and made available to Members. Minutes of all BOD meetings will be posted on the Association's website.

Section 6. Fees and Compensation:

No Director or appointed Officer of the Association shall receive any salary for his/her services as such Director or Officer of the Association provided that any Director may be reimbursed for any documented out of pocket expenses (including court-related time) incurred on behalf of the Association. All reimbursements must be approved by a majority vote of the BOD.

Section 7. Presiding Officers:

- A. The BOD shall elect one of their numbers to act as President, one to act as Vice President and one to act as Treasurer/Secretary for the Association.

- B. The President shall be the chief executive officer of the Association and shall, subject to the direction of the BOD, have general supervision, direction and control of the business of the Association. The President shall have the general powers and duties of management usually vested in the office of the President of a corporation, and shall have such other powers and duties as may be prescribed by the BOD or these By-Laws.
- C. The Vice President shall perform all duties of the President in the absence or disability of the President, and when so acting, shall have all the powers of, and be subject to all the restrictions upon the office of the President. The Vice President shall be an ex-officio Member of all Standing Committees. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by the BOD or these By-Laws.
- D. The Secretary shall keep, or cause to be kept at the Principal Office, an Association register showing the following: (1) the names, addresses, telephone number and e-mail of the Directors; (2) the names, addresses, telephone number and e-mail of the Members; (3) the property to which each Member relates; (4) the number of votes represented by each Member; (5) the dates associated with a change in title for any property.

The Secretary shall give, or cause to be given, notice of all meetings of the Members and the BOD required by these By-Laws, or by law to be given, and shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the BOD or by these By-Laws.

- E. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association. The books of account shall, at all reasonable time, be opened to inspection by any Director or any Member.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the BOD. The Treasurer shall disburse the funds of the Association as may be ordered by the BOD; shall render to the BOD an account of all transactions as Treasurer and the financial condition of the Association as requested by the BOD but not less than two (2) times per calendar year; and shall have such other powers and perform such other duties as may be prescribed by the BOD or these By-Laws.

Article VI. Miscellaneous

Section 1. Changes to the By-Laws:

- A. As required, the BOD will recommend changes to these By-Laws for the approval by the Members.
- B. Changes to these By-Laws will be ratified or rejected by a simple majority of the votes cast by the Members per the provisions of Article III, Sections 1, 2 and 3.
- C. Whenever an amendment or new By-Law is adopted it shall be placed in the book of By-Laws, to be maintained by the President, in the appropriate place. If any By-Law is repealed, the fact of repeal, with the date of the repeal, shall be stated in said book.

Section 2. Parliamentary Authority: The Parliamentary Authority for the Association shall be the current edition of Robert's Rules of Order.

We, the undersigned, being the persons elected to serve on the Board of Directors of ABBE SPRINGS RANCHES HOMEOWNERS' ASSOCIATION, INC., a not for profit corporation, hereby assent to the foregoing By-Laws and adopt the same as the By-Laws of said association and said corporation.



Marshall Adams, President

11/13/09

Date



Susan Clair, Vice-President

11/17/09

Date



Nancy Crowley, Secretary

11/6/2009

Date



Kat Brown, Treasurer

11/19/09

Date