

**HACIENDAS IMPROVEMENT
ASSOCIATION, INC.**

**BY-LAWS,
POOL RULES
AND
PARKING POLICIES**

NOTE: DO NOT DESTROY – THERE WILL BE A REPLACEMENT CHARGE

REV. 12/13/08

CERTIFICATION

Whereas, at a meeting of the Board of Directors as listed below duly called and held on November 1, 2008 a majority of the Directors present voted in favor of adopting these Bylaws as set forth herein.

Now therefore, the Bylaws of the Association are hereby adopted in their entirety as follows on the following pages.

Signed,



Ida Rodriguez



Ingeborg Arvizu



Donna Stanton



Dianne Donahue

BY-LAWS OF HACIENDAS IMPROVEMENT ASSOCIATION, INC.

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BY-LAWS OF HACIENDAS IMPROVEMENT ASSOCIATION, INC.

ARTICLE I Background

1. The purpose of these by-laws is to define operational procedures, Corporate/Board of Director responsibilities, property management standards, and accounting principles that will be used to govern the Hacienda Improvement Association, Inc. (herein referred to as "the Association" or "Corporation").
2. Association membership requirements/duties, property use (rights, covenants, and restrictions), and powers, rights and duties of the Board of Directors and members are contained in:
 - a. "Articles of Incorporation" dated Feb. 23, 1976, (7 pages) recorded with the Maricopa County Recorder's office at 1976-0089459;
 - b. Declaration of Covenants, Conditions, and Restrictions ("CC&RS") dated April 21, 1972 (22 pages), recorded with the Maricopa County Recorder's office at 1972-0099359;
 - c. In case of conflict between documents, the Articles of Incorporation supersedes the CC&R's. The CC&R's supersedes the By-Laws, Arizona Statutes shall supersede all of the above.

Background definitions (and detailed requirements contained in these references) are NOT repeated in these by-laws.

3. Definitions:

- a. Board of Directors (herein referred to as "the Board")
Association members elected by the homeowners to administrate the Haciendas in accordance with the governing documents.
- b. Declaration
Term used herein refers to the Declaration of Covenants ("CC&R's").
- c. Governing Documents
A collective term which refers to these By-Laws, the Declaration of Covenants ("CC&R's"), and the Articles of Incorporation.
- d. Members or "Homeowners" (herein referred to as "Association members")
Refers to qualified Haciendas Association members, as defined in the governing documents.
- e. Quorum
The presence, either in person plus ballots, of at least forty percent (40%) or twenty-three (23) voting homeowners of the Association will be a quorum. All votes will require a quorum unless otherwise stated herein or in the governing documents.

23.6

ARTICLE II
Governing Document Administration

1. General Administrative Guidelines:

- a. Amendments to these By-Laws may be proposed to the Board by any voting Association member. Proposed amendment(s) shall be submitted in writing to the Board. After review by the Board, adopted proposals will be distributed to Association members.
- b. Changes to the "Articles of Incorporation" and the "CC&R's" must always be approved by the Association members and must be in accordance with the special amendment instructions provided for in each document.
- c. These By-Laws may not be amended if such amendments conflict with other governing documents.

2. Enforcement:

- a. When dealing with Association members who do not comply with the rules of the Association, the Board will (in order):
 - i. Notify Owner in writing of allegations.
 - ii. Allow ten (10) business days for a written response.
 - iii. After response is received from the Owner within the ten (10) days or after expiration of the ten (10) days, the Board will notify the Owner of the action to be taken by the Board.
 - iv. In cases of continued non-compliance, the Board may levy fines, restrict homeowner privileges, and/or initiate civil action; and
 - v. The Board will provide any information required and a hearing pursuant to A.R.S. 33-1803 if so requested by the Owner by certified mail within ten business days from the date of the original notice.

3. Reviews:

- a. Governing documents will be reviewed by the Board within five (5) years of the last review.
- b. All changes to the By-Laws will be submitted to the Association's attorney for review and then adopted.

- c. All Association members will be afforded free and open access to all records pertaining to the business of the Association. This includes copies of governing documents. Requests for such access will be directed to the Association's secretary. Copies of documents will be made available, but will be paid for by the requesting Association member.

ARTICLE III Real Property Management

1. Unit Maintenance:

- a. The Board, at its option, may undertake the maintenance of the exterior of the Units in the Association and will charge the expenses of such maintenance to the Owner of the Unit. Such maintenance by the Board will not take place until written notification has been given to the Owner of the Unit defining the needed repair/alteration and allowing the Owner sixty (60) days to comply. This section in no way mandates that the Association is responsible for the maintenance of the exteriors of the Units in the Association.
- b. Approved exterior paint colors and trim are on file at Dunn Edwards located on the Northwest corner of Dobson and Chandler Boulevard.

2. Architectural Modifications:

Requests must be submitted to the board in writing with a diagram of the changes. Board approval or denial will be within thirty days (30). Changes must be completed within ninety (90) days of approval unless separate timeframes have been agreed to by the Board in writing.

3. Communal Area Administration:

- a. Association members may find it necessary to delegate their privilege of using communal areas to "long-term" (more than 2 weeks) guests and/or family members. These "use rights" can be delegated by notifying the Association secretary in writing. Notification will include name of guest, relationship, and the expected length of stay. Long-term delegation of these rights will be strictly limited to family members and tenants who physically reside in a Haciendas unit. This requirement does not apply to short-term guests whose occasional usage is governed by the current "Pool Rules and Regulations".
- b. Maintenance of common areas will be directly supervised by the Board. Association members are encouraged to recommend landscaping changes. This does not preclude requests by Association members to oversee communal properties adjacent to their units. All requests must be submitted in writing and approved by the Board.

- c. Pool rules, regulations, and operating instructions will be formulated and enacted by the Board.
- d. A schedule for heating the communal swimming pool will be determined by the Board in October of each year.
- e. No swimming will be allowed during Association meetings.

ARTICLE IV Meetings

1. General Administrative Guidelines

- a. All Association and Board meetings are open to Association members without special invitation or authorization.
- b. All business conducted by the Board will be made a matter of written record.
- c. Notice of Association meetings will be distributed to Association members at least ten(10) days before the meeting is held. Notices of Board meetings and a list of agenda topics known at that time will be posted on the community bulleting board located at the pool cabana at least ten (10) days before the meeting is held. Requirements do not apply to ad-hoc committees or panels.
- d. Minutes of all Board and Association meetings will be distributed to members within 7 to 10 days after the meeting is held. Distribution of copies will be made as follows:
 - i. One copy to each residence of record.
 - ii. One copy mailed to each absentee owner.
 - iii. One copy posted on the community bulletin board.

(this requirement does not apply to special ad-hoc work panels or committees)

- e. All Association meetings will be held during daylight hours and on weekends, except for emergencies.
- f. No Association meeting will be scheduled from June 1 thru September 15, except for emergencies.
- g. Only one Association member from each unit may vote.

2. Association Meetings:

- a. Annual Association meetings will be held on the fourth Sunday of each October at 1 p.m. at the pool cabana.

- b. Any Association meeting that does not have a quorum (present plus ballots) will be adjourned by the chairperson until a quorum number of twenty-three (23) is attained.
 - c. Special (limited purpose) Association meetings may be authorized by a majority vote of the Board of Directors or by a written petition signed by a quorum (23) of Association members. Written notification of a special meeting will be distributed to each voting Association member at least ten (10) days before convening. Notice will state the time, place, and the specific business to be conducted. No other business other than that outlined in the Association special meeting notice will be conducted.
3. Board Meetings:
- a. The majority of directors will determine the time, place and frequency of regular or special Board meetings. In an emergency, written or oral authorization by all Board members may allow remedial action without holding a formal Board meeting.

ARTICLE V Board of Directors

1. General Administrative Guidelines:

- a. No Association member will be allowed to serve on the Board of Directors who cannot or will not conscientiously and equitably enforce all by-laws, ruled, covenants, conditions, and restrictions of the Association.
- b. If there are not enough volunteers to fill the Board vacancies when it is time to vote in a new member, existing Board members shall be requested to remain on the Board until such time as new volunteers are available (not to exceed a second three year term).
- c. A majority of the Board of Directors will constitute a quorum. No business will be conducted without a quorum. When a quorum is present a majority vote of those present may transact business in the name of the Association.
- d. All projects approved by the Board will be assigned a specific project officer by name. Information will be published in the Board minutes.

2. Board Composition:

- a. The business of the Association will be managed by an Association-elected Board of 5 to 7 directors.
- b. Members of the Board consist of the chairperson, vice chairperson, secretary, treasurer, and one member-at-large. The Board is elected by

the voting homeowners and specific officers on the board will be chosen by the Board of Directors.

3. Board Duties/ Functions:

- a. The Board of Directors shall have the powers and duties necessary for corporation administration as defined in the governing documents. Additionally, the Board has the power to approve such rules and regulations as required to implement these powers and duties. Such duties include, but are not limited to:
 - i. Delegating duties to Association members.
 - ii. Supervising and appointing special Association project committees composed of Association members.
 - iii. Monitoring fiscal functions: Audits, collections, expenditures, investments, tax levies, insurance payments, general purchasing and contracting functions, etc.
 - iv. Recording, publishing, and distributing minutes and schedules of Board and Association meetings.
 - v. Organizing and conducting all Board and Association meetings.
 - vi. Maintaining liaison with committees.
 - vii. Enforcing all Association rules, restrictions, covenants, and by-laws.
 - viii. Supervising gardener's activity in order to assure the maintenance of all communal areas.
 - ix. Managing ballots.
 - x. Assuring currency of governing documents.
 - xi. Maintaining Association correspondence.
 - xii. Maintaining financial books and records and accounts.
 - xiii. Assuring that an Association member is appointed by the Board to greet and brief new Association members on governing documents and general duties, rights and responsibilities.

4. Director Duties/ Functions:

- a. Board members will perform duties as agreed upon by the majority of the Board without compensation. These duties will be in compliance with the general Board duties spelled out herein. The secretary and treasurer will be expected to have all the powers and duties normally vested in such offices of a corporation.
- b. No additional duties will be assigned to the Board treasurer.

5. Election:

- a. Directors are elected by Association members to a three (3) year term via ballot mailed in or delivered at the annual Association meeting. Elected winners will be determined by those who receive the majority of votes. In elections requiring multiple votes, the lowest ballot count candidate will be eliminated at the end of each ballot until a majority vote is counted for one candidate.

- b. The Board may nominate Association members to serve as a co-treasurer and a co-secretary. Nominations will appear on the ballot. Members elected will serve a full three-year term and will have full Board voting rights. Duties will be defined by the majority of the Board.
 - c. The Board, by majority vote, will have authority to temporarily appoint Association members to replace Board members who cannot complete their term. Temporary appointments expire at the next annual Association meeting.
 - d. One year must pass between terms of office of a Board Member.
(Exception: See Article V, 1.b.)
 - e. 6. Removal/Resignation of a Board Member:
 - a. Board members may be removed, with or without cause, pursuant to the requirements of A.R.S. Sec. 33-1813; and
 - b. Resignation of a Board member shall be in writing, addressed to the Board, and will be effective upon receipt.
7. Processing Complaints:
- a. Disputes between homeowners, involving Association rules, restrictions, etc. should be settled between disputants. If such disputes cannot be resolved, then a written appeal for arbitration may be made to the Board which will issue invitations to all parties involved. Attendance at hearings is not required. The Board will notify disputants of findings in writing.
 - b. The Board, in conjunction with an attorney if necessary, will be the deciding authority in matters regarding interpretation and application of all governing documents.

attendance requirement

ARTICLE VI

Fiscal Administration

1. General Administrative Guidelines

- a. An annual financial report will be distributed to each Association member by the Board at the end of each fiscal year within ninety (90) days of the end of the fiscal year. Fiscal year ends May 31st.
- b. An internal audit will be conducted at the end of each fiscal year. Two auditors will be appointed by the Board from the Association membership.

- c. Excess Association funds will be deposited in accounts paying the highest possible interest, without penalties for withdrawal (e.g., money market checking accounts). These deposits will be reviewed by the Board annually in order to assure the highest interest availability.
- d. Corporate documents (notes, checks, disbursements, contracts, etc.) can be executed on behalf of the Corporation by any two Board members. Prior authorization by the board is required.
- e. Fidelity bonds may be required by the Board as deemed necessary. Bond premiums will be paid by the Association.
- f. The Board may not expend more than \$1,500.00 for any single new project without the express approval of the Association members. Replacement and maintenance are exempt.
- g. A Special purchasing and contracting officer will be appointed by the Board from the Association to oversee any single new project expenditure of more than \$2,500.00
- h. Expenditures (of more than \$1,500.00) for a single new project will require a minimum of three (3) competitive sealed bids to be reviewed and awarded by the Board. This may not always be the lowest bid.

2. Assessments:

All legal fees (attorney, court costs, etc.) incurred by the Association as a result of collection of delinquent assessments, or as a result of enforcing rules, regulations, covenants, etc. will be assessed against delinquent Association members in accordance with the Declaration. Such assessments will be paid in full within thirty (30) days of notification.

3. Collections:

Monthly assessments are due on the 1st of the month and delinquent on the last day of the month. A late fee of \$15.00 may be assessed on the 1st day of the following month. The Board treasurer will notify delinquent members in writing any time a late charge is applied to their account.

POOL AREA RULES

*HACIENDAS HOMEOWNER'S ASSOCIATION IS NOT LIABLE FOR
ACCIDENTS OR INJURIES IN COMMUNAL AREAS*

A. GENERAL POLICY

1. Homeowners are responsible for, and must be personally present, to supervise visiting persons under age 18. In addition, homeowners will assure that adult guests will follow all rules and regulations. Homeowners need not be physically present to supervise adult guests.
2. The pool area is financed and maintained for the use and enjoyment of resident homeowners. Individual homeowners should assure that non-resident friends and family members are not allowed keys or permitted continuous access to the pool area.
3. Notice for private parties must be distributed to homeowners a week in advance.
4. Persons under age 18 are allowed to use the pool area under direct physical homeowner supervision until 8 p.m. daily.

B. Rules and Regulations for Pool Area (that area enclosed by the fence and communal building)

1. No glass.
2. No bicycles, motorbikes, or Styrofoam.
3. No pets.
4. No running.
5. When leaving area....please assure cleanliness, gate security, and that the gas grills are turned off.

PARKING POLICIES

1. The areas where the curbs are painted red are NO PARKING zones day or night.
2. There is a 10 mph speed limit on all streets within the complex.
3. Unlicensed or unregistered vehicles should be stored in a closed garage. Otherwise, other arrangements need to be made with the Board.
4. All four (4) tires of a vehicle should be in the driveway and not hanging out in the street.
5. All cars parked in the streets between the hours of midnight and 6 a.m. will be towed.
6. Each home has been provided with two (2) parking permits. These permits are for guests use ONLY. All vehicles in the designated guest parking area (which is the circular drive at the front entrance) must display the parking permit from their rear view mirror. Any vehicles not displaying the permit will be towed.

It is the responsibility of each homeowner to make their guests and family aware of the above policies AND THEIR ENFORCEMENT.