

**FIRST AMENDED AND RESTATED BYLAWS  
OF  
FOUR HILLS RANCH PROPERTY OWNERS ASSOCIATION**

**ARTICLE I**

The principal office of the Association in the State of Arizona shall be located in Williams, County of Coconino. The Association may have such other offices, either within or without the State of Arizona, as the Board of Directors may determine or as the affairs of the Association may require from time to time.

**ARTICLE II**

**MEMBERS' MEETINGS AND VOTING**

SECTION 1. **Notice of Meetings.** The Association shall notify members, by mail or posting on the Association web site, of the date, time, and place of each annual, regular, or special members' meeting at least ten days but not more than sixty days before the meeting date.

SECTION 2. **Quorum.** Members, present or represented by mail-in ballots, holding ten percent (10%) of the votes entitled to be cast, shall constitute a quorum EXCEPT in matters of amending the Covenants, Conditions, and Restrictions, or establishing Special Assessments, both of which shall require twenty-five percent (25%) of the votes entitled to be cast.

SECTION 3. **Voting.** Action requiring a vote of the members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the matter. Votes may be cast in person and by absentee ballot, including the use of email and fax delivery. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. The number of votes cast by ballot must equal or exceed the quorum required to approve the matter at a meeting.

SECTION 4. **Proxies.** A member may not vote by proxy for another member.

**ARTICLE III**

**BOARD OF DIRECTORS**

SECTION 1. **General Powers.** The affairs of the Association shall be managed by its Board of Directors. Directors need not be residents of the State of Arizona.

SECTION 2. **Number, Tenure, and Qualifications.** The number of Directors shall not be less than three (3), nor more than seven (7) Directors. Each Director shall be elected for a term of three (3) years and shall hold office until the next annual meeting and until his or her successor shall have been elected.

SECTION 3. **Special Meetings.** Special Meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person, or persons, authorized to call special meetings of the Board may fix any place as the place for holding any special meetings of the Board called by them.

SECTION 4. **Notice.** Notice of any special meeting of the Board of Directors shall be given at least ten (10) days prior by written notice delivered personally or sent by mail or email to each Director at his or her address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of, any regular annual meeting or any special meetings of the Board needs to be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws, in the event they are amended.

SECTION 5. **Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Directors are present at said meeting, a majority of Directors present may adjourn this meeting from time to time without further notice.

SECTION 6. **Manner of Acting.** The action of a majority of the Directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

SECTION 7. **Vacancies.** Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 8. **Compensation.** Directors shall not receive any stated salary or any form of payment for their services.

SECTION 9. **Action Taken Without a Meeting.** Any action required by law, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, and is signed by all Directors.

SECTION 10. **Removal.** Any director elected by the members may be removed from the Board, with or without cause, by a majority vote of the members whenever in its judgement the best interests of the Association would be served thereby.

#### **ARTICLE IV OFFICERS**

SECTION 1. **Officers.** The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. Any two or more offices may be held by the same person, except that the President may hold only one office.

SECTION 2. **Election and Term of Office.** The annual election of officers shall take place at the first meeting of the Board of Directors following the annual meeting of the members. Each officer shall hold office until his or her successor shall have been duly elected.

SECTION 3. **Removal.** Any officer or director elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgement the best interests of the Association would be served thereby.

SECTION 4. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. **President.** The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. The President shall preside at all meetings of the members and of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized be executed, except in cases here the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other office or agent of the Association; and in general shall perform all duties as may be prescribed by the Board of Directors from time to time.

SECTION 6. **Vice President.** In the absence of the President or in the event of the President's inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions of the President. Any Vice President shall perform such duties from time to time as may be assigned by the President or by the Board of Directors.

SECTION 7. **Treasurer.** The Treasurer personally or by designated representatives shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board of Directors; shall maintain all checks and promissory notes of the Association; keep proper books of account; shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting; and shall perform such duties from time to time as may be assigned by the President or Board of Directors.

SECTION 8. **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board; serve notice of the meetings of the Board and members; maintain appropriate records of the members of the Association with their addresses; and shall perform such other duties from time to time as may be assigned by the Board of Directors.

## **ARTICLE V COMMITTEES**

SECTION 1. **Committees.** The Board of Directors shall appoint committees as deemed necessary in carrying out its purpose. A committee may consist of Directors and Association members. However, the Chair of the committee shall always be a member of the Board of Directors.

## **ARTICLE VI CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

SECTION 1. **Contracts.** The Board of Directors may authorize any officer or officers, agent, or agents of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

SECTION 2. **Checks, Drafts, etc.** All checks, drafts, orders for payment of money, notes, or other evidence of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent, or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or Vice President of the Association.

SECTION 3. **Deposits and Funds.** All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

**ARTICLE VII  
BUDGETS**

A budget setting forth the “basic expenses” shall be prepared by the Board of Directors and distributed to members by mail or posting on the Association web site not less than thirty (30) days prior to the start of the calendar year. “Basic expenses” shall mean the estimate aggregate amount of expenses, as set forth in the budget, to be incurred by the Association during the calendar year to operate, administer, manage, maintain, improve, the roadways, along with gates, fences, and culverts involving such roadways and any common areas and so designated as an Association function and to provide for reserves to ensure, when due, the cost of capital expenditures relating to any such purposes. In the event the Board of Directors at any time during the calendar year determines that the budget will be in excess of the amount needed to meet “basic expenses,” the Board of Directors shall prepare an estimate of such excess and may apply same to reduce the amount assessed for the next succeeding year.

**ARTICLE VIII  
ANNUAL REPORT**

The Board of Directors shall distribute to the members, by mail or by posting on the website, within sixty (60) days after the calendar year end, an annual report consisting of a balance sheet, an operating statement, and such other documents as determined by the Board of Directors.

**ARTICLE IX  
RENTAL AND SALES**

**Rentals.** When a member rents his or her property, the member shall provide the renter with a copy of the Association’s Bylaws and of the Declaration of Covenants, Conditions, and Restrictions and shall include in

the rental agreement a provision that the renter shall abide by these documents. The member also shall supply a copy of the rental agreement to the Board of Directors.

**Sales.** When a lot is sold, the selling member, or agent, shall supply the buyer with a copy of the Association's Bylaws, Articles of Incorporation, and of the Declaration of Covenants, Conditions, and Restrictions.

## **ARTICLE X CONSTRUCTION**

Nothing contained in these Bylaws shall in any way be construed as altering, amending, or modifying the Declaration of Covenants, Conditions, and Restrictions (or any Amendments thereto). Such Declaration and these Bylaws shall always be construed to further the harmonious, beneficial, cooperative, and proper use of the property. If there is any inconsistency or conflict between these Bylaws and such Declaration, the provisions of the Declaration shall control. All words and terms used in these Bylaws which are also in the Declaration shall have the same meaning as provided for such words and terms in the Declaration.

## **ARTICLE XI BOOKS AND RECORDS**

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors. All books and records of the Association may be inspected for any proper purpose at any reasonable time.

## **ARTICLE XII FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

**ARTICLE XIII**  
**WAVIER OF NOTICE**

Whenever any notice is required to be given under the provisions of the Arizona Non-Profit Cooperation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent as the giving of such notice. A member's attendance at a meeting constitutes a Waiver of Notice unless at the beginning of the meeting the member objects to holding the meeting or transacting business at the meeting.

**ARTICLE XIV**  
**AMENDMENTS TO BYLAWS**

These Bylaws may be altered, amended, or repealed and new bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two days' written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.

Adopted by the Board of Directors this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Thad Johnson Date \_\_\_\_\_

\_\_\_\_\_  
Kim Shuey Date \_\_\_\_\_

\_\_\_\_\_  
Dennis Van Roekel Date \_\_\_\_\_

\_\_\_\_\_  
AnnMarie Bice Date \_\_\_\_\_

\_\_\_\_\_  
Tom Makofske Date \_\_\_\_\_

\_\_\_\_\_  
Larry Schug Date \_\_\_\_\_