

Revised September 1987

BYLAWS

OF

THE CARRIAGE HILL HOMEOWNERS ASSOCIATION, INC.

(A Non-profit, Non-stock Texas corporation)

PURPOSE: CHARTER PROVISIONS

1.1 PURPOSES. The general purpose of the Carriage Hills Homeowners Association (the "Association") is the promotion of the common good and general welfare of the homeowners in the area of Plano, Texas, know as Carriage Hills. More specifically, the purpose of the Association are the bringing about of civil betterment and social improvement of the community through the following activities:

- (A) Preserve and beautify community property in cooperation with local government.
- (B) Promote public safety and crime prevention in the community.
- (C) Publish a community newsletter.
- (D) Sponsor public meetings of community residents.
- (E) Sponsor activities for community residents.
- (F) Review zoning and public school matters affecting the community.
- (G) Encourage community residents to maintain their property, and prevent physical deterioration of the community.
- (H) Any other activities, not inconsistent with the Texas Non-Profit Corporation Act or those sections of the Internal Revenue Code of 1954 relating to tax exempt organizations, designed to enhance the common good and general welfare of the Association.

1.2 NON-PROFIT CHARTER. The Association shall be organized and operated exclusively for non-profitable purposes. No part of the income of the Association shall be distributable to its members, directors or officers.

### 1.3 ACTIVITIES.

- (A) The Association shall remain non-partisan and non-political at all times. The corporation shall never participate or intervene, either directly or indirectly in any political campaign on behalf of or in support of any candidate for public office.
- (B) The Association may coordinate individual or group action before local legislative and administrative agencies with respect to zoning, traffic and parking regulation, property tax valuation, public schools, and similar matters.
- (C) The Association shall not be operated primarily as a social club for the benefit, pleasure or recreation of its members.
- (D) The Association shall not engage in activities directed to the exterior maintenance of private residences. However, this provision shall not prohibit activities of the ASSOCIATION designed to encourage community residents to maintain the exteriors of their residences.

## 2. MEMBERS

2.1 MEMBERSHIP. All homeowners, regardless of sex, race, national origin or religion residing in Carriage Hills shall be considered members of this Association. In addition, any individuals or entities owning homes within Carriage Hills and not residing therein, and who shall request membership in the Association, shall also be considered members of the Association. Any adult person residing and renting, but not owning, a home in Carriage Hills and who requests a membership in the Association shall also be considered a member of the Association.

2.2 VOTING PRIVILEGES. Each member of the Association shall be entitled to cast one (1) vote on any matter of business which is put to a vote of the members, provided, however, any individual for entity owning a home or homes in Carriage Hills but not residing there shall have only one vote regardless of the number of homes they own or the number of individuals owning interests in those homes.

Provided, however, that failure of any member to pay his or her annual dues by December 1 of each fiscal year shall cause those members who are delinquent in said payments to forfeit all discussion and voting privileges concerning the expenditure of Association funds, until such time as those dues are paid. The failure of any member to pay his or her annual dues shall not cause that member to lose his or her membership or other privileges incidental there to in this Association, with the sole exception of discussion and voting privileges concerning the expenditure of funds as previously mentioned.

### 3. BOARD OF DIRECTORS AND OFFICERS

3.1 COMPOSITION OF THE BOARD. The Board of Directors shall be composed of nine (9) members elected at the annual meeting of the Association.

- (A) The four (4) Officers of the Association.
- (B) Five (5) Chairpersons of the Standing Committees elected from the general membership, and
- (C) The immediate past president, who shall be a non-voting member of the Board.

3.2 GENERAL OFFICERS. There shall be four (4) Officers of the Association elected at the annual meeting of the Association. The Officers shall be composed of:

- (A) The President
- (B) The Vice-President
- (C) The Secretary, and
- (D) The Treasurer.

3.3 ELIGIBILITY. Any member who is current in his or her dues shall be eligible for nomination and election as an Office or Chairperson provided, however, a duly elected Chairperson shall not be elected and serve more than two (2) consecutive terms as a chair person, and a dully elected officer shall not be elected and serve more than two consecutive terms in the same office. This limitation shall not apply to any Officer or Chairperson who is appointed to fill a vacancy during an unexpired term, and such Officer and Chairperson may be nominated and elected to the same position in the following term.

3.4 NOMINATIONS.

- (A) A Nominating Committee, consisting of the President and at least two other members chosen by the President shall nominate at least one (1) person for each of the four Officers' positions and at least five (5) persons for the Chairpersons positions.
- (B) All nominations shall be announced in the newsletter published immediately preceding each annual meeting. Provided, however that nothing in these Bylaws shall prohibit additional nominations from the floor during the annual meeting.
- (C) The Secretary shall be responsible for preparation, distribution, collection and counting of ballots during the election at the annual meeting.

3.5 VOTING.

- (A) At each annual meeting, the Secretary shall present a prepared ballot listing thereon all nominees for the Chairpersons and Officers as well as blank spaces for the names of additional nominees who may be nominated from the floor.
- (B) OFFICERS AND CHAIRPERSONS. Each nominee for each office or chair who receives a simple majority of the total votes cast for that particular office shall be duly elected to that particular office. Provided, however, that in those instances in which two or more nominees for the same office receive an equal number of votes, an additional ballot or ballots containing only those nominees receiving an equal number of votes shall be necessary in order to fill the position or positions which have not been previously filled.

3.6 TERM OF OFFICE. The term of office of each Officer and Chairperson shall be from the date of their election or appointment through and including the date of the next annual meeting following their election or appointment.

3.7 AUTHORITY OF BOARD OF DIRECTORS. The Board shall manage and direct the affairs of the Association.

3.8 AUTHORITY OF OFFICERS. In addition to their duties as Directors of the Association, the Officers shall have the additional duties and powers:

- (A) The President shall be Chief Executive Office. He shall see that all orders and resolutions of the Board including those requiring the approval of the members, are carried into effect. The President shall be an ex-official member of all standing and special committees. It shall be the duty of the President to preside at all meetings of the Association, to conduct the meeting in an efficient and business-like manner, to call special meetings of the Association and to perform such other duties as pertain to his office.
- (B) The Vice-President shall serve in the place of the President whenever necessary.
- (C) The Secretary shall keep minutes of the proceedings of the Association and Board, and a record of the names and addresses of persons entitled to vote. In addition, the Secretary shall attend to all correspondence and shall be responsible for seeing that notice is given the members of any special meetings and all annual meetings. The outgoing Secretary shall, within ten (10) days after the close of his term of office, turn over to the newly elected Secretary all records of the Association in his custody.
- (D) The Treasurer shall keep correct and complete books and records of account and shall make such reports as the Board shall require. It shall be the duty of the Treasurer to receive, hold and disburse all funds, and to make a report thereof at each regular meeting, provided, however all disbursements must be approved by at least two (2) Officers. The Treasurer shall prepare the annual budget for presentation to the Board of Directors. The outgoing Treasurer shall, within ten (10) days after the close of his term of office, turn over to the newly elected Treasurer all monies and records of the Association in his custody.
- (E) In general, the Officers have such authority and duties as are give by these Bylaws and as the Board shall, from time to time, determine.

3.9 MEETINGS OF BOARD OF DIRECTORS.

- (A) PLACE OF MEETINGS. Meetings of the Board, whether regularly scheduled or specially called, may be held either within or without the State of Texas. The President shall determine the times and places in which the Board shall meet. Reasonable notice shall be given.
- (B) ANNUAL MEETING. The Board shall hold its first meeting within two (2) weeks following the annual meeting of the members.
- (C) SPECIAL MEETINGS. Special Meetings of the Board may be called by the President of reasonable notice to each Director. Except as may be otherwise expressly provided by statute, or by the Articles of Incorporation, or by these By laws, neither the business to be transacted at, nor the purpose of any special meeting need be specified in a notice or waiver of notice.
- (D) The President shall preside at meetings of the Board. IN the absence of the President, the next ranking officer shall assume the authority and duty of the President.

3.10 QUORUM: ACTION BY MAJORITY. A majority of the voting members of the Board of Directors shall constitute a quorum. The act or vote of a majority of the Directors present at a meeting in which a quorum is present shall be the act or vote of the Board. Each Director, other than the immediate past president, shall have one vote, exercisable in person only. Provided, however, nothing herein shall authorize the Board to act in a manner inconsistent with the authority granted thereto by these Bylaws.

4. STANDING COMMITTEES

4.1 BEAUTIFICATION AND PRESERVATION COMMITTEE. Within one (1) month immediately following his or her election, the incoming Chairperson shall appoint at least two (2) additional members who shall constitute the Beautification and Preservation Committee. All members of this Committee shall serve a term of one (1) year and thereafter until their successors are appointed/elected and qualified. Except for the chair, the members may serve consecutive terms.

The Committee shall implement and coordinate methods of preserving, beautifying and improving community property and services including parks, streets and sanitation.

4.2 SOCIAL/ACTIVITY COMMITTEE. Within one (1) month immediately following his or her election, the incoming Chairperson shall appoint at least two (2) additional members who shall constitute the Social/Activity Committee. All members of this Committee shall serve a term of one (1) year and thereafter until their successors are appointed/elected and qualified. Except for the chair, the members may serve consecutive terms. The Committee shall sponsor activities for the general membership.

4.3 MEMBERSHIP/DIRECTORY/WELCOME COMMITTEE. Within one (1) month immediately following his or her election, the incoming Chairperson shall appoint and notify at least two (2) additional members who shall constitute the Standing Committee on Membership/Directory/Welcome. All members of this committee shall serve a term of one (1) year and thereafter until their successors are appointed/elected and qualified. Except for the chair, all members may serve consecutive terms. The Committee shall:

- (A) Maintain, at all times a current list, including names, addresses and telephone numbers of all members and be so organized as to provide a thorough and prompt contact system.
- (B) Invite new residents of Carriage Hills to the meetings of the Association.

4.4 CRIME WATCH COMMITTEE. Within one (1) month immediately following his or her election, the incoming chairperson shall appoint at least two (2) members who shall constitute a Crime Watch committee. All members of this Committee shall serve a term of one (1) year and thereafter until their successors are appointed/elected and qualified. Except for the chair, the members may serve consecutive terms. The Committee shall, in cooperation with local law enforcement agencies, promote the safety and security of Carriage Hills by:

- (A) Providing information to the residents of the community concerning crime prevention and safety, and
- (B) Encouraging residents of the community to cooperate in efforts to promote safety and reduce crime.
- (C) Establish and maintain a Crime Watch program in conjunction with the Plano Chamber of Commerce.

4.5 PUBLICITY/NEWSLETTER. The Association shall have a newsletter as the official publication of the Association. The Chairperson shall appoint a staff to assist in the reporting of the community news and in the distribution of the publication. Provided, however, that the newsletter shall remain non partisan and non political at all times and shall never participate directly or indirectly, in any political campaign on behalf of or in support of any candidate for public office. Prior to publication, the contents of the newsletter shall be reviewed by the chair and the President of the Association.

4.6 OTHER COMMITTEES. The President shall have the authority to create such other committees, composed of at least three (3) members, one of whom is chairperson, to carry out the purposes of the Association.

## 5. FINANCES

5.1 FUNDS. The Association shall be authorized to raise funds by dues, solicitations, benefits, lectures, exhibits and other legitimate methods not inconsistent with the corporation's status as either a non-profit corporation or tax-exempt organization.

(A) ANNUAL DUES. The amount of the annual dues per household shall be determined each year in the following manner:

- (1) At its annual meeting the Board of Directors shall approve an annual budget for the coming fiscal year. The fiscal year shall run from October 1 of the then current year to the last day of September of the following year. The annual budget shall list proposed expenditures, estimated income, and the amount of annual dues per house hold required to meet the excess, if any, of the proposed expenditures over estimated income.

Provided, however, no major expenditure of funds may be made without the approval of the members.

- (2) The annual dues so determined shall be due and payable by December 1 of each year.
- (3) Homeowners who move into Carriage Hills during the fiscal year shall be required to pay any annual dues for that particular fiscal year. The annual dues shall be reduced by 25% each quarter.
- (4) All dues shall promptly be delivered to the Treasurer upon collection. Upon the termination of the month of December, the Treasurer shall immediately prepare and submit to the President a list of all homeowners in Carriage Hills and indicating thereon those families who have paid their annual dues for the new fiscal year.

5.2 GIFTS. The Association shall be authorized to receive gifts, legacies, and bequests (for general or specified purposes), subject to the approval of the Board.

5.3 RESERVES: ENDOWMENT FUNDS. The Board of Directors, providing the requisite members have approved, may create reserves for such purposes as it shall think beneficial to the Association, and may abolish the reserves in the manner created. The Board, providing the requisite members have approved, may create reserves for such purposes as it shall think beneficial to the Association, and may abolish the reserves in the manner created. The Board, providing the requisite members have approved, may create endowment funds, to assure the future success and purposes of the Association, in amounts and at times it deems feasible.

## 6. MISCELLANEOUS

6.1 FISCAL YEAR. The fiscal year shall begin on October 1 and end on the last day of September.

6.2 VACANCIES. In the event that a vacancy occurs in any office or chair for any reason, including, but not limited to death, resignation or removal from Carriage Hills

the Board of Directors shall appoint a successor who shall serve in such appointed capacity until his successor is elected at the next annual meeting. Provided, however, that any member who fills a vacancy in an unexpired term shall not lose his eligibility for election to such office or position on the Board of Directors for the ensuing term.

6.3 MEETINGS. Regular meetings of the Association shall be held as decided by the Board of Directors. An annual meeting of the Association shall be held during the month of October for the election of Officers and Chairpersons. Except as otherwise provided, the condensed version of the Roberts Rules of Order shall govern and control in the conduct of all meetings.

6.4 QUORUM. A quorum necessary to transact business of the Association and to approve the Board's recommendations and requests at all regular and special meetings shall consist of 10% of current paid families.

6.5 AMENDMENTS. Any amendment to these Bylaws shall necessitate a two-thirds vote of the members present provided the quorum requirement has been satisfied. Proxy votes will be acceptable in fulfilling the quorum requirement. Amendment to these Bylaws may be considered at any meeting but must be voted on at the next following regular meeting.

6.6 PROHIBITED TRANSACTIONS. The Association shall not do any act which shall constitute a basis for denial of its status as a non-profit and/or tax-exempt organization under applicable law.

6.7 DISSOLUTION. In the event of dissolution or winding up of the Association, whether voluntary or involuntary, the net assets after payment of all claims and expenses shall be distributed to the Plano Public Library System.

6.8 REMUNERATION; REIMBURSEMENT. A Chairperson, Officer and/or Committee member shall receive no remuneration for his services as such but shall be entitled to reimbursement for actual, reasonable expenses incurred by him in connection with the Association's affairs.

6.9 WAIVER OF NOTICE. Whenever any notice is required to be given to any person, a waiver thereof in writing signed by such person, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

6.10 RESIGNATION. Any Chairperson, Officer and/or Committee member may resign by giving notice to the President or the Secretary.

6.11 EMPLOYEES. The Board of Directors, subject to approval by the members, shall hire any employees that may be needed, and shall fix the terms of employment and compensation.

6.12 REMOVAL. Removal of any Officer or Chairperson may be done by a vote of two-thirds majority of members present at any meeting providing notice of removal vote is given to the members in advance by at least ten (10) days