



## **BYLAWS OF THE SUN CITY HOME OWNERS ASSOCIATION, INC.**

**AUTHORITY:** Pursuant to Article II, Section (1) of the Amended and Restated Articles of Incorporation; and in compliance to the requirements of ARS Title 10, Chapter 25, Article 1 #10-3206; and in accordance with the limitations set forth in the Internal Revenue Code 501(c)(4) and 509(a)(3); we, the duly elected directors of Sun City Home Owners Association (SCHOA) do hereby adopt these amended and restated Bylaws.

### **ARTICLE I – PURPOSE**

SCHOA has the primary purpose of preserving property values through fair and universal compliance with the community's Deed Restrictions, also known as Conditions, Covenants and Restrictions (CC&Rs).

SCHOA has the right, but not the obligation:

- A. to assist members and other residents with problems they bring to the organization's attention concerning their homes and their grounds;
- B. to create and support programs which benefit the community, specifically in the matters of safety, security and quality of life;
- C. to advocate for Sun City residents with county and state officials;
- D. to advocate for Sun City as a community in governmental activities in the West Valley;
- E. to generate sufficient income to carry out and support its programs; and
- F. to engage in all other activities permitted under Arizona law which may reasonably be considered as integral to its purpose.

## **ARTICLE II – MEMBERSHIP**

### **Section 1 – Membership**

- A. A Sun City resident or property owner may join SCHOA by applying for membership and paying the prescribed dues.
- B. Membership shall be for one (1) year and shall commence immediately upon acceptance of a signed application along with the appropriate fee and is renewable upon payment of succeeding annual dues.

### **Section 2 – Dues**

- A. Annual membership dues will be reviewed and established by the board of directors during the budget process.
- B. Annual dues shall be payable on or before the membership anniversary date each year. SCHOA shall send an annual notice prior to expiration along with appropriate payment information.
- C. No portion of the dues will be refunded because of either resignation or termination of membership.

### **Section 3 – Resignations and Terminations of Membership**

- A. Members may resign at any time by notifying SCHOA or electing not to renew by failing to pay the dues.
- B. Membership may be terminated for cause following a majority vote of the board of directors.

### **Section 4 – Membership Rights and Responsibilities**

- A. Sun City residents, who are members in good standing (currently paid up dues) have unlimited use of the vendor referral program, receive copies of plat maps and have full access to all of the other services provided by SCHOA.
- B. All members in good standing are entitled to one (1) vote in the election and must cast their own vote.
- C. Sun City residents, who are not members, may purchase services provided by SCHOA for fees established by the board of directors.

- D. It shall be the right, but not the obligation, of all Sun City residents, whether members or not, to report violations of the CC&Rs to SCHOA.

## **Section 5 – Membership Meetings**

### **A. Annual Meeting**

- 1) The President shall call an annual members' meeting during the month of January. Notice of the time, date and location shall be posted by the Secretary in a local newspaper of general circulation at least ten (10) days in advance of the meeting.
- 2) The annual meeting shall be held for the purpose of presenting to the members a status report from the board of directors and for consideration of any other business that may arise.

### **B. Special Membership Meetings**

- 1) Special meetings may be called by the President, be requested by a majority of the directors or be requested in writing to the board of directors and signed by 100 or more members.
- 2) Notice of time, place, and stated purpose of any special meeting shall be given through local news releases. Except in emergency situations, any such notice shall be publicized by the Secretary a minimum of ten (10) days prior to the meeting.

### **C. Open Meetings**

Except as otherwise determined by the board of directors, all meetings of the membership, board of directors, and standing committees shall be open to the public.

### **D. Voting**

- 1) On matters of association business, members may be required to show proof of membership before speaking or voting.
- 2) Non-members shall have no vote in the business proceedings.

### **E. Quorum**

Thirty-one (31) members shall constitute a quorum at all meetings of members.

## **ARTICLE III – BOARD OF DIRECTORS**

### **Section 1 – Composition**

The total number of directors to serve on the board shall be a minimum of seven (7) and a maximum of eleven (11) with an appropriate amount being elected each year by the SCHOA members.

### **Section 2 – Nominations and Elections**

- A. Recruitment of a sufficient number of candidates to have competitive elections shall be a major responsibility of the Elections Committee.
- B. All candidates shall be informed that both nominees and board members are expected to maintain a stance of neutrality at all times regarding incorporation of Sun City.
- C. Only current members who have been residents of Sun City for a minimum of one (1) year are eligible for nomination or appointment.
- D. With more candidates than positions to fill, a plurality vote will be sufficient to elect.

### **Section 3 – Terms of Office, Vacancies and Revocation of Membership**

- A. The term of office for a director is three (3) years, unless the term is for a replacement director in which case the term will be the remainder of the unexpired term.
- B. Newly elected directors shall assume their duties immediately following the conclusion of the regular monthly meeting of the board of directors in December.
- C. When a directorship is vacated by resignation, death or physical incapacitation, the board shall determine if the vacancy shall be filled by appointment or whether it shall remain vacant until the next general election.
- D. Any director may be removed with or without cause by a vote of eighty percent (80%) of the entire board. A vacancy created by removal can only be filled by an election by members at a special meeting, the annual meeting, or during the regular election process. The replacement director will serve the remainder of the unexpired term.

#### **Section 4 – Duties of the Board of Directors**

- A. The business and affairs of SCHOA shall be supervised by the board of directors.
- B. The board of directors shall:
  - 1) establish and/or approve SCHOA policies;
  - 2) provide oversight for all the activities of SCHOA;
  - 3) approve recommended appointments by the president;
  - 4) approve all contracts, the annual budget, and all non-budgeted expenditures; and
  - 5) shall have the financial records reviewed for correct accounting procedures and verification of accounts at the end of each fiscal year, and it may require an audit or financial review at any time it deems necessary.
- C. Directors, officers, and committee members shall serve entirely as unpaid volunteers. They may be reimbursed for expenses (including mileage) incurred in the performance of their duties while outside of Sun City.

#### **Section 5 – Meetings of the Board**

- A. At a time determined by the board of directors, a regular monthly meeting shall be held each month except during July and August. This monthly meeting is made up of two (2) parts: the general meeting open to the public and the executive session for closely held business.
- B. Special meetings of the board may be called by the president or by a majority of the board members. Except in cases of emergency, notice of special meetings shall be given to board members not less than 24 hours before the meeting. The purpose of the meeting shall be stated in the notice.

#### **Section 6 – Quorum**

A majority of directors shall constitute a quorum for all board meetings.

### **Section 7 – Voting**

A majority vote for board of director's motions is a majority of those directors present as long as that number exceeds a quorum.

### **Section 8 – Action Without a Meeting**

Any action which may be taken by the board at a meeting may be taken without a meeting if consent in writing, setting forth the action to be taken, is agreed to by a majority of the board. For this purpose, an email transmitted from an email address on record constitutes a valid writing. Calling for action without a meeting is at the discretion of the President or three (3) board members. The notice shall clearly describe the action proposed in resolution format and shall provide a minimum of seventy-two (72) hours for member responses before a tally will be made and a result declared. Each member must clearly indicate "for" or "against" for the proposal. The notice, the responses, and the results shall be a part of the minutes of the Board.

## **ARTICLE IV – OFFICERS**

### **Section 1 – Officers**

The officers shall be a President, Vice President, Secretary and Treasurer.

### **Section 2 – Election of Officers**

- A. Officers must have the status of active members of the board of directors.
- B. Officers shall be elected by the new board of directors consisting of continuing directors and those newly elected.
- C. An outgoing member of the board of directors shall be asked to conduct the election of officers.
- D. New officers shall assume their duties immediately after the seating of the new directors.

### **Section 3 – Term of Office**

- A. Officers shall serve for a term of one (1) year or until their successors are elected.
- B. No director shall hold the office of President for more than two (2) consecutive years.
- C. All officers shall retain their full responsibilities as directors.

### **Section 4 – Vacancies in Office**

A vacancy in any of the elective offices shall be filled for the unexpired term by a majority vote of directors present at the next regular meeting after the office is vacated.

### **Section 5 – Duties of Officers**

Officers shall perform the duties as are prescribed for their offices in these bylaws and in the adopted parliamentary authority.

#### **A. The President:**

- 1) shall preside at all membership and board of director's meetings;
- 2) shall be responsible for enforcing all policies related to the administrative functions;
- 3) shall provide direction to all other officers and see that their duties are properly performed;
- 4) shall keep directors advised of substantive matters affecting the organization;
- 5) shall sign contracts on behalf of SCHOA that have been approved by a majority vote of the board of directors; and
- 6) shall be readily available to SCHOA management for consultation and/or emergency decisions.

#### **B. The Vice President:**

Shall, in the President's absence, act for and on behalf of the President.

**C. The Treasurer:**

- 1) shall ensure there is an accurate accounting for all association funds;
- 2) shall ensure that all association funds are deposited or invested in banks and institutions designated by the board of directors and/or invested directly in obligations of the United States government;
- 3) shall report financial standing at each regular meeting of the board;
- 4) shall review disbursements for normal operational expenses and additional non-budgeted expenditures approved by the board of directors;
- 5) shall supervise the preparation of the annual budget for presentation at the September meeting of the board of directors;
- 6) shall see that SCHOA, its officers, directors, employees, buildings and equipment have adequate protection against losses; and
- 7) shall maintain records by the fiscal year which shall be from November 1 to October 31.

**D. The Secretary:**

- 1) shall be responsible for the official records of SCHOA;
- 2) shall have recorded all resolutions and proceedings of the board of directors, of the annual meeting and special meetings of the membership;
- 3) shall prepare minutes of directors' and members' meetings and authenticate records of the corporation; and
- 4) shall publicize the annual membership meeting and any special membership meetings in local newspapers at least ten (10) days in advance of the event.

**ARTICLE V – COMMITTEES****Section 1 – Committee Requirements****A. All committees shall:**

- 1) consider issues in their areas of responsibility and develop options for any necessary action;
- 2) have no decision-making authority and are limited to presenting policy recommendations to the board of directors for action;
- 3) have a current director as chairperson;

- 4) have members that are current SCHOA members except for liaisons from other organizations;
- 5) meet as often as necessary to accomplish their assigned missions;
- 6) keep accurate minutes of all meetings and submit a copy to the board Secretary on a timely basis for duplication and distribution to members of the board of directors and the General Manager;
- 7) maintain a permanent record of their minutes and other documents in SCHOA's files as an ongoing record for future use;
- 8) determine the appropriate number of committee members necessary to work effectively;
- 9) Recruit their own members;
- 10) work closely with the office staff to keep the membership information, meeting times, and contact information current;
- 11) maintain current committee work description on the website; and
- 12) may submit budget suggestions and requests anytime during the fiscal year but prior to September 1 of each year.

## **Section 2 – Standing Committees**

- A. A standing committee is one established to assist the board in a specified area, e.g., Government Affairs.
- B. The names of the standing committees shall be Articles and Bylaws; Collections; Compliance; Elections, Government Affairs; Membership; and Roads and Safety.
- C. A brief purpose statement for each standing committee is:
  - 1) Articles and Bylaws Committee identifies changes needed to the Articles of Incorporation and the Bylaws and develops amendment proposals.
  - 2) Collections Committee facilitates the collection of monies owed to SCHOA by suggesting general policies and strategies and by making specific collection recommendations to the board of directors.
  - 3) Compliance Committee offers clarifications and interpretation of the CC&Rs and allows residents the opportunity to appear before a committee of their peers regarding any CC&R violation which they are facing.
  - 4) Elections Committee solicits candidates for directors and plans and oversees the election process.

- 5) Government Affairs Committee advocates for the interests of SCHOA and the residents of Sun City at all levels of government.
  - 6) Membership Committee oversees and sets goals for both recruiting and maintaining members.
  - 7) Roads and Safety Committee provides an opportunity for residents to bring issues of concern to the attention of local, county and state transportation officials.
- D. Committee chairpersons will assume their responsibilities immediately after appointment by the President and confirmation by the board.

### **Section 3 – Other Committees**

- A. An ad hoc committee may be formed for a specific task or objective and will be dissolved after completion of the task or achievement of the objective.
- B. There shall be such ad hoc committees as the board of directors shall deem necessary.

### **ARTICLE VI – HEADQUARTERS OFFICE**

The SCHOA office shall be located at 10401 West Coggins Drive, Sun City, AZ 85351.

### **ARTICLE VII – INDEMNIFICATION**

SCHOA shall indemnify and hold harmless all directors and officers from and against any claims of liability for any acts or omissions undertaken or not undertaken while acting within the scope of their duties for the association.

### **ARTICLE VIII – PARLIAMENTARY AUTHORITY**

Rules contained in the current edition of *Robert's Rules of Order, Newly Revised*, shall govern in all cases to which they are applicable and in which they are not inconsistent with these Bylaws, state statutes or special rules of order the board may adopt.

## **ARTICLE IX – SEVERABILITY**

In the event any provision in these Bylaws is deemed to be illegal, invalid or unenforceable, or is rendered illegal, invalid or unenforceable by acts of the legislature of the state of Arizona or any authorized regulatory agency, all other provisions remain in effect.

## **ARTICLE X – POLITICAL ACTIVITY**

SCHOA, as an organization, is prohibited from direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office.

## **ARTICLE XI – DISSOLUTION**

Upon the dissolution of SCHOA, the board of directors shall, after paying or making provision for payment of all SCHOA's liabilities, transfer all of the assets to other Sun City 501(c)3 or 501(c)4 organizations.

## **ARTICLE XII – AMENDMENT OF BYLAWS**

### **Section 1 – By Board of Directors**

These Bylaws may be amended by a two-thirds (2/3) vote of the directors at any regular or special meeting, provided that notice was given to the board members at the previous regular meeting.

### **Section 2 – By Petition**

The president shall notify the membership of its receipt within thirty (30) days thereafter by mail or news release. If the proposal to revise is not adopted by the board, the members shall vote on the proposal at the next membership meeting.

### **Section 3 – Publication of Changes**

Information as to all changes in subject matter shall be published in the minutes of the board of directors. Copies of amended Bylaws shall be distributed to the board of directors and shall be made available without charge to members at the SCHOA office.

#### **Amended:**

10-07-61	10-28-75	10-14-86	05-12-92	02-13-01
11-01-62	11-01-77	12-09-86	05-11-93	10-08-02
07-29-63	06-05-78	06-09-87	05-18-95	01-12-04
10-04-65	11-22-83	12-08-87	04-09-96	09-08-04
12-15-70	12-18-84	05-14-91	06-11-96	10-10-06
06-20-72	05-14-85	03-10-92	11-10-98	05-21-08
10-19-73	09-10-85	04-14-92	11-09-99	04-26-16