

**AMENDED AND RESTATED**

**BYLAWS OF**

**SABINO SPRING HOMEOWNERS ASSOCIATION**

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1                                   **AMENDED AND RESTATED BY-LAWS OF**  
2                                   **SABINO SPRINGS HOMEOWNERS ASSOCIATION**

3  
4                                   **ARTICLE I.**  
5                                   **INTRODUCTION**

6  
7                   1.1   **Scope.** These Bylaws shall govern the operation of Sabino Springs  
8 Homeowners Association (the "Association"), an Arizona nonprofit corporation created  
9 pursuant to that certain Declaration of Covenants, Conditions and Restrictions for Sabino  
10 Springs, as originally recorded on April 16, 1993, in Docket 9522, Page 551, *et seq.*, official  
11 records of Pima County, Arizona, and as amended from time to time (the "Declaration").  
12 All references to the Declaration shall include any amendments.

13  
14                   1.2   **Principal Office.** The principal office of the Association shall be located in  
15 Pima County, Arizona. Meetings of Members and Directors may be held at any place  
16 within the State of Arizona, County of Pima which is designated by the Board of Directors.

17  
18                                   **ARTICLE II.**  
19                                   **DEFINITIONS**

20  
21                   Capitalized terms used in these Bylaws without definition shall have the meanings  
22 specified for such terms in the Declaration. As used in these Bylaws, the term "Eligible  
23 Votes" means the total number of votes entitled to be cast by Members as of the record date  
24 for determining the Members entitled to vote at a meeting or with respect to any other  
25 lawful action including, but not limited to, action by written ballot or written consent.

26  
27                                   **ARTICLE III.**  
28                                   **MEMBERSHIP**

29  
30                   3.1   **Members.** A Member is a person who is entitled to membership as provided  
31 for in the Declaration. When more than one (1) person holds an ownership interest in any  
32 Lot, each person is a Member. Membership in the Association is subject to the following  
33 restrictions and qualifications:

34  
35                   3.1.1. The transfer of title to any Lot automatically transfers the membership  
36 to the new Owner of the Lot.

37  
38                   3.1.2. A Member must be in good standing with the Association. This means  
39 that the Member must be current in the payment of the Assessments imposed by the  
40 Association and any other sums which are due to the Association, before such person is  
41 entitled to the rights and privileges of membership, including the right to use the Common  
42 Areas, the right to vote on any matter, and the right to serve on the Board of Directors.



1 at the meeting can vote to adjourn the meeting in accordance with the applicable  
2 provisions of Section 4.3.

3  
4 4.5 Procedures for Meetings. The President or the Association's attorney shall  
5 preside over all meetings of the Members, but if the President is not present, then the Vice  
6 President or the Association's attorney shall preside over the meeting. The Secretary (or his  
7 or her designee) shall attend each meeting of the Members and take and prepare minutes  
8 reflecting the actions taken at the meeting. If the Secretary (or his or her designee) is not  
9 present, then the Chair of the meeting shall appoint another person or officer to act as the  
10 recording secretary and to perform the functions of the Secretary.

11  
12 **ARTICLE V.**  
13 **VOTING**  
14

15 5.1 Voting Rights. Each Member shall be entitled to one (1) vote for each Lot  
16 owned. No change in the ownership of a Lot shall be effective for voting purposes until the  
17 Association receives written notice of such change together with satisfactory evidence of  
18 the transfer. When more than one (1) Person holds an interest in any Lot, all such Persons  
19 shall be Members. The vote for such Lot shall be exercised as the Owners may determine,  
20 but in no event shall more than one (1) vote be cast with respect to any Lot owned.  
21 Fractional votes are not allowed. In the event a Lot is owned by more than one (1) Person  
22 and such Owners are unable to agree on how their vote(s) shall be cast, they shall not be  
23 entitled to vote on the matter in question. If any Owner exercises his/her vote on any  
24 matter, it will be conclusively presumed that the Owner is acting with the authority and  
25 consent of all the other Owners of the Lot unless an objection is made to the Board, in  
26 writing, at or prior to the time the vote is cast. If more than one Person votes or attempts to  
27 exercise the vote for a particular Lot all of those votes shall be void.

28  
29 5.1.1. At any meeting of the Association, the Members in good standing, as  
30 defined in Section 3.1.2, shall be entitled to vote on each matter brought before the  
31 membership. A majority of the votes cast by the Members at such meeting, provided there  
32 is a quorum, shall be the act of the membership, except as otherwise provided for in the  
33 Declaration, the Articles of Incorporation, these Bylaws or by statute.

34  
35 5.1.2. Voting for the members of the Board of Directors shall take place by  
36 mail-in ballot or by voting at the Annual Meeting in accordance with these Bylaws, and  
37 the results shall be made known upon the tabulation and certification of the election by  
38 the Election Committee.

39  
40 5.2 Voting Procedure.

41  
42 5.2.1. Voice Vote. Either a voice vote or a show of hands shall constitute the  
43 vote on all matters except the following matters which require a ballot vote:

1 5.2.1.1. The election of all Directors;

2  
3 5.2.1.2. When a majority of the Board of Directors requests a ballot  
4 vote;

5  
6 5.2.1.3. When a ballot is requested by a majority of the Eligible  
7 Voters who attend the meeting;

8  
9 5.2.1.4. When the Declaration or Articles of Incorporation require  
10 that the votes cast for a particular matter be in writing.

11  
12 5.2.2. Mail Vote.

13  
14 5.2.2.1. The Board may authorize mail-in ballots in place of voting  
15 at a meeting (including an Annual Meeting), on any election or vote on any issue it deems  
16 appropriate, including the election of Directors.

17  
18 5.2.2.2. When mail-in ballots are authorized by the Board, said  
19 ballots shall be prepared and mailed to the Members at least twenty (20) days prior to the  
20 date of the election or vote on an issue, and the date set for the tabulation of the ballots  
21 shall be stated on the ballot. Ballots received on or after the date set for tabulation of the  
22 ballots shall not be counted.

23  
24 5.2.2.3. The determination of eligibility and tabulation of votes shall  
25 proceed under the supervision of the Board of Directors or its designated committee.

26  
27 5.2.2.4. Any solicitation by the Association for written ballots must  
28 specify the number of responses needed to meet the quorum requirement and the  
29 percentage of affirmative Members' votes necessary to approve each matter (other than  
30 election of Directors).

31  
32 5.2.3. Procedures to be Followed When Ballots Are Used. When a voting is  
33 by ballot, the following will apply:

34  
35 5.2.3.1. Voting shall proceed under supervision of an Election  
36 Committee, appointed by the President.

37  
38 5.2.3.2. The Election Committee shall be in attendance at all times  
39 during voting tabulation and during check-in at any meeting of Members, and they shall  
40 determine whether the Member is in good standing; shall issue all of the official ballots and  
41 shall witness the placing of the ballots into the ballot boxes or the opening of mail-in  
42 ballots.

1                   5.2.3.3. Ballot boxes or mail-in ballots shall remain sealed until the  
2 voting is closed, at which time they shall be opened and the votes tabulated. In the event of  
3 a tie vote, there shall be another vote solely for the purpose of breaking the tie. Upon  
4 completion of the tabulation of ballots, the results shall be certified to the Board of  
5 Directors by the Election Committee and announced to the Membership either at a  
6 meeting or, if mail-in ballots are used in the absence of a meeting, by written notification to  
7 the Members.

8  
9                   5.2.3.4. Ballots shall be retained for at least forty-five (45) days after  
10 an election, after which they may be destroyed; however, the Election Committee's  
11 certification shall remain in the Association's permanent records.

12  
13           5.3    Proxies. At all meetings of the Members, any Member can vote in person or  
14 by proxy unless mail-in ballots were used for the vote, in which case no proxy designations  
15 will be allowed. A proxy shall be in writing and signed by the Owner. It shall only be  
16 valid for the meeting(s) which is designated in the proxy, including any adjournment of  
17 said meeting. All proxies must be filed with the Secretary (or his or her designee) before the  
18 meeting is called to order. Proxies may be delivered in person, by mail or by fax to the  
19 Secretary or Secretary's designee. The proxy shall be revoked upon receipt by the person  
20 presiding over the meeting of a notice of revocation signed by the Member who gave  
21 his/her proxy. An appropriate form of proxy shall be included with each Notice of  
22 Meeting mailed to Association Members.

23  
24           5.4    Freezing of List of Members or Fixing of Record Date. For the purpose of  
25 determining Members entitled to notice of or to vote at a meeting of Members, or in order  
26 to make a determination of Members for any other proper purpose, the Board may provide  
27 that the list of all Members shall be frozen at a specified date, not to exceed ten (10) days  
28 preceding the meeting or vote. If the list of Members shall be frozen for the purpose of  
29 determining Members entitled to notice of or to vote at a meeting of Members, such list  
30 shall be frozen for not more than ten (10) days immediately preceding such meeting. In lieu  
31 of freezing the list of Members, the Board may fix in advance a date as the record date for  
32 any such determination of Members, such date in any case to be not more than ten (10)  
33 days prior to the date of the particular meeting of Members or the date on which the  
34 particular action requiring such determination of Members is to be taken, as applicable. If  
35 the list of Members is not frozen and no record date is fixed for the determination of  
36 Members entitled to notice if or to vote at a meeting of Members , the record date for such  
37 determination of Members shall be four o'clock in the afternoon on the day before the day  
38 on which notice of the meeting is mailed. When a determination of Members entitled to  
39 vote at any meeting of Members has been made as provided in this Section, such  
40 determination shall apply to any continuation of such meeting following an adjournment.



ARTICLE VI.  
BOARD OF DIRECTORS

6.1 Number. The Board of Directors of the Association shall consist of seven (7) persons, all of whom must be Members in good standing, as defined in Section 3.1.2. Co-owners of Lots shall not be entitled to serve on the Board of Directors at the same time. All Directors shall have all of the rights, remedies, privileges and authority accorded to Directors of the Association by the Declaration, the Articles of Incorporation, these Bylaws and applicable law.

6.2 Election of the Board of Directors. Directors shall be elected by a secret written ballot in accordance with Article V of these Bylaws. The candidates receiving the highest number of votes up to the number of Directors to be elected shall be elected. Cumulative voting is not permitted.

6.3 Term of Office. Except for the transitional year of 2005 (see below), Directors shall be elected for a term of three (3) years, commencing upon the election of Directors at the Annual Meeting. In order to assure staggered terms so that the entire Board does not have to be re-elected in any year, in 2005, two (2) directors shall be elected to three-year terms, two (2) shall be elected to two-year terms and three (3) shall be elected to one (1) year terms. Thereafter, the same cycle shall be used. If staggered terms need to be re-established in any election year for any reason, the Board will adopt reasonable rules and regulations governing the Nominating Committee's procedures for the upcoming election, including a modification of terms for some of the newly-elected Directors so that staggered terms will be restored. Nothing herein shall be construed to prevent the election by the Members of any person or persons to two or more terms as director, whether or not such terms shall be consecutive.

6.4 Place of Meetings. The Board may hold its meetings at any place designated by the Board of Directors.

6.5 Annual Board Meetings. Within thirty (30) days after each Annual Meeting of Members, the newly-elected directors shall meet forthwith for the purpose of organization, election of officers, and the transaction of other business.

6.6 Regular Meetings. Regular meetings of the Board may be held without notice to the Directors, other than announcement at the close of the previous meeting, and with notice to Association Members in accordance with applicable law.<sup>1</sup> Notice to Members of

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<sup>1</sup>As of the date of these Bylaws, A.R.S. §33-1804 requires at least forty-eight (48) hours advance notice to Members of Board meetings by newsletter, conspicuous posting or any other reasonable means as determined by the Board.

1 a meeting of the Board is not required if emergency circumstances require action by the  
2 Board before notice can be given. Any such action will be review of the next regular Board  
3 meeting and entered into the minutes of said meeting. The failure of any Member to  
4 receive actual notice of a Board meeting does not affect the validity of any action taken at  
5 that meeting.  
6

7         6.7 Special Meetings Notice. Special meetings of the Board shall be held  
8 whenever called for in writing, by the President of the Association or by any two (2)  
9 members of the Board of Directors other than the President. The notice of any special  
10 meeting of the Board of Directors shall state the time, place and purpose of the meeting.  
11 Notice of any special meeting shall be sent to each Director either by mail, facsimile, or any  
12 other form of recorded communication, by telephone, or delivered personally not later than  
13 three (3) business days prior to the scheduled time of the meeting. Notice of special  
14 meetings of the Board also shall be given to the Association Members in accordance with  
15 applicable law. A written waiver of notice, whether given before or after the meeting to  
16 which it relates, shall be the equivalent of giving notice to the Directors who sign the  
17 waiver. Attendance of a Director at a special meeting of the Board shall constitute a waiver  
18 of notice of such meeting, except when he/she attends the meeting for the express purpose  
19 of objecting to the transaction of any business or because the meeting is not lawfully called  
20 or convened.  
21

22         6.8 Quorum. A majority of the Board, present in person, at any meeting of the  
23 Board shall constitute a quorum for the transaction of business at such meeting. Except as  
24 otherwise stated in these Bylaws, and except as provided for by law, the vote of a majority  
25 of the Directors present at any meeting where a quorum is present shall be the act of the  
26 Board. In the absence of a quorum, a majority of the Directors present at the meeting may  
27 adjourn the meeting to another time or place.  
28

29         6.9 Organization. At each meeting of the Board, the President, or if he/she is not  
30 present, then the Vice President, or if he/she is not present, then a Director chosen by a  
31 majority of the Board of Directors present, shall act as the Chair and preside over such  
32 meeting. The Secretary, or if he/she is not present, any person which the Chair appoints,  
33 shall act as the Secretary and keep the minutes.  
34

35         6.10 Action by Directors Without a Meeting. Any action required or permitted to  
36 be taken by the Board of Directors may be taken without a meeting if all of the members of  
37 the Board of Directors consent, in writing, to such action. Such consents shall be announced  
38 at and filed with the minutes of the next Board meeting. Any action by written consent has  
39 the same force and effect as any vote of the Directors. Action without a meeting may be  
40 taken only when it is not possible to assemble a quorum for a meeting and when  
41 emergency or exigent circumstances need the immediate action of the Board.  
42

1           6.11 Resignations. Any Director may resign at any time by giving notice of his/her  
2 resignation to the Board of Directors. Any resignation becomes effective at the time  
3 specified in the notice, if the time is not stated in the notice, it shall take effect immediately  
4 upon its receipt by the President or the Secretary. Unless otherwise specified in the notice,  
5 the acceptance of such resignation is not necessary to make it effective.  
6

7           6.12 Removal of Directors. Any Director may be removed from the Board, with or  
8 without cause, by a majority vote of the Eligible Voters of the Association. Any Director  
9 whose removal has been proposed shall be given an opportunity to be heard at the  
10 meeting. A Director who ceases to be a Member of the Association automatically is  
11 removed from the Board.  
12

13           6.13 Vacancies on the Board.  
14

15           6.13.1. At any duly convened special meeting of the membership at which  
16 any Director is removed, a successor or successors should then and there be elected to fill  
17 the vacancy thus created.  
18

19           6.13.2. Any vacancy on the Board of Directors, other than through removal  
20 by the membership, may be filled by the vote of a majority of the remaining Directors even  
21 if the remaining Directors do not constitute a quorum. Any Director appointed to fill a  
22 vacancy shall hold office for the unexpired term of the vacancy that has been filled.  
23

24           6.13.3. When one (1) or more Directors resign from the Board, effective at  
25 some date in the future, a majority of the Directors, including those who have submitted  
26 their resignation, may vote to fill the vacancy with the term of the newly-appointed  
27 Directors scheduled to begin on the date the resignation becomes effective.  
28

29           6.13.4. If a vacancy occurs because of the death or resignation of a  
30 Director, or for any other reason, leaving the Association with no Directors in office, then  
31 any Member may call a special meeting of Members solely for the purpose of electing  
32 members to the Board of Directors.  
33

34           6.13.5. If a Director fails to assume his/her position because of death,  
35 disability or declination prior to the beginning of the term to which he/she was elected,  
36 then the person who received the next highest number of votes shall succeed to that  
37 position. If there were no unelected candidates, the other Directors shall fill the vacancy in  
38 accordance with Section 6.13.2.  
39

40           6.14 Indemnification of Directors and Officers. The Association shall indemnify  
41 any Officers and Directors against all expenses incurred by them, including but not limited  
42 to legal fees, judgments and penalties which may be incurred, rendered or levied in any  
43 legal action brought against any of them arising from any action or omission alleged to

1 have been committed while acting within the scope of authority as an Officer or Director of  
2 the Association. Whenever any Officer or Director seeks indemnification from the  
3 Association, the Board of Directors shall, at its next regular or at any special meeting held  
4 within a reasonable time after the request is made, determine in good faith whether that  
5 person acted, failed to act, or acted willfully, with gross negligence or with fraudulent or  
6 criminal intent. If the Board of Directors determines in good faith that the person did not  
7 act willfully or with gross negligence or with fraudulent or criminal intent, then it shall  
8 indemnify that person; provided, however, that the Association has the right to refuse to  
9 indemnify any person to whom indemnification would otherwise be provided if that  
10 person unreasonably refuses to permit the Association, at its own expense and through  
11 counsel of its own choosing, to defend him/her in the action.

12  
13 **ARTICLE VII.**  
14 **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**  
15

16 7.1 Authority of the Board. The Board of Directors shall have all the powers of  
17 an Arizona non-profit corporation, subject only to such limitations upon the exercise of  
18 such powers as are expressly set forth in the Association's Articles of Incorporation, these  
19 Bylaws and the Declaration. The Board shall have the power to do any and all lawful  
20 things which may be authorized, required or permitted to be done by the Association  
21 under and by virtue of said Articles, these Bylaws and the Declaration, and to do and  
22 perform any and all acts which may be necessary or proper for or incidental to the exercise  
23 of any of the express powers of the Association.

24  
25 7.2 Powers. Without limiting the generality of Section 7.1, the Board of Directors  
26 has the power to:

27  
28 7.2.1. Hold and administer the assets and direct, control, manage and  
29 supervise business and affairs of the Association.

30  
31 7.2.2. Enforce all applicable provisions of the Declaration, Articles of  
32 Incorporation and these Bylaws.

33  
34 7.2.3. Make and publish architectural and design standards, and rules and  
35 regulations within the authority set forth in the Declaration, and to establish penalties  
36 (including but not necessarily limited to fines, probation and/or suspension of membership  
37 or voting privileges) for the infraction thereof. There shall be copies of the complete  
38 architectural and design standards, and rules and regulations available for purchase or  
39 inspection by any Member of the Association upon request.

40  
41 7.2.4. Declare the office of a member of the Board of Directors to be vacant in  
42 the event such Director is absent from three (3) consecutive regular meetings of the Board

1 of Directors unless the Director provides a reason which is acceptable to the Board of  
2 Directors.

3  
4 7.2.5. Employ or terminate the services of any independent contractor, a  
5 managing agent or such other personnel and employees as the Board deems necessary, and  
6 to prescribe their duties.

7  
8 7.2.6. As more fully provided in these Bylaws and the Declaration to:

9  
10 7.2.6.1. Estimate the amount of the annual budget, and to provide the  
11 manner of assessing and collecting from the Owners their respective  
12 shares of estimated expenses;

13  
14 7.2.6.2. Perfect and foreclose a lien against any property for which  
15 Assessments are not paid, or to bring an action at law against the  
16 Member personally obligated to pay the same.

17  
18 7.2.6.3. Pay any taxes and assessments which are, or could become, a  
19 lien on the property owned by the Association.

20  
21 7.2.7. Contract for goods and/or services for the Common Areas, facilities,  
22 property for which the Association is responsible, and the legal interests of the Association.

23  
24 7.2.8. When permitted by law, represent the Association before any and all  
25 governmental or quasi-governmental agencies, offices, groups or bodies in conjunction  
26 with any matters bearing upon or affecting the quality of life and property values of the  
27 Association's Members, including but not necessarily limited to all planning and zoning,  
28 fire protection, street lighting, public utility and similar regulatory agencies.

29  
30 7.2.9 Formulate policies for the administration, management and operation  
31 of the Common Area and any Natural Open Space over which the Association holds a  
32 conservation easement or other similar interest.

33  
34 7.3 Duties. It is the duty of the Board of Directors to:

35  
36 7.3.1. Cause a complete record to be kept of all its acts and affairs and to  
37 present a statement thereof to the Members at the Annual Meeting of the Members, or at  
38 any special meeting when such statement is requested in writing by ten percent (10%) of  
39 the Members.

40  
41 7.3.2. Supervise all officers, agents and employees of this Association, and  
42 ensure that their duties are properly performed.



1 he/she shall execute any bonds, mortgages and other contracts, unless another person is  
2 required or permitted by law to sign such documents.

3 8.3 Vice President. The Vice President has such powers and performs such duties  
4 as the President or the Board may from time-to-time prescribe and shall perform such other  
5 duties as may be prescribed by these Bylaws. At the request of the President, or in case of  
6 his/her absence or inability to act, the Vice President shall perform the duties of the  
7 President and, when so acting, shall have all the powers of, and be subject to all the  
8 restrictions upon, the President.

9  
10 8.4 Secretary. The Secretary (or his or her designee) shall record the votes and  
11 keep the minutes of all meetings and proceedings of the Board and of the Members;  
12 keep the corporate seal of the Association, if any, and affix it on all papers requiring said  
13 seal; provide notice of meetings of the Board and of the Members; keep appropriate current  
14 records showing the Members of the Association together with their addresses, and shall  
15 perform such other duties as required by the Board. The Secretary (or his or her designee)  
16 shall ensure that all the proceedings of the meetings of the membership, and the Board of  
17 Directors, are recorded in one or more books kept for that purpose. The Secretary (or his or  
18 her designee) is the custodian of all contracts, deeds, documents, all other indicia of title to  
19 properties owned by the Association and of its corporate records (except accounting  
20 records). Upon request, the Secretary (or his or her designee) shall make the records of the  
21 Association which are not in the custody of the Treasurer, available for inspection, at all  
22 reasonable times to any Directors or Member of the Association. All records of the  
23 Association shall be kept and maintained at the Association's office.

24  
25 8.5 Treasurer. The Treasurer shall be responsible for the charge and custody of  
26 funds and securities of the Association, keeping full and accurate accounts of receipts and  
27 disbursements in books belonging to the Association, and depositing all moneys and other  
28 valuable effects in the name of and to the credit of the Association in such banks and other  
29 depositories as may be designated by the Board. The Treasurer shall be responsible for  
30 disbursing the funds of the Association as may be ordered by the Board, taking proper  
31 vouchers for such disbursements and rendering to the President and to the Directors at the  
32 regular meetings of the Board (or at such other times as they may require it), a statement of  
33 all financial transactions and an account of the financial condition of the Association; and,  
34 in general, the Treasurer shall perform all the duties incident to the office of the Treasurer  
35 and such other duties as may from time to time be assigned to the Treasurer by the Board.

36  
37 8.6 Bonding. At the Board's discretion, all officers, Board members, Committee  
38 Chair and members and employees who are in any way involved in the handling of  
39 Association funds and the paid managerial personnel of the Association shall be bonded or  
40 insured in a sum to be determined by the Board of Directors.

41  
42 8.7 Compensation. No compensation shall be paid to officers and Directors for  
43 their services as Officers and Directors. No remuneration shall be paid to any Officer or

1 Director for services performed by him/her for the Association in any other capacity,  
2 unless a resolution authorizing such remuneration is unanimously adopted by the Board of  
3 Directors before the services are undertaken.  
4

5 8.8 Removal. Any officer may be removed from office by the majority vote of the  
6 Directors at any regular or special meeting called for that purpose, whenever, in the  
7 Board's judgment, the best interests of the Association will be served by the removal. The  
8 removal of a person as an officer does not constitute a removal of that person from the  
9 Board of Directors, unless he/she is also removed by the Members as set forth herein.  
10

11 8.9 Vacancies. If any office becomes vacant by death, resignation, retirement,  
12 disqualification, or any other cause, the majority of the Directors may elect an officer from  
13 the members of the Board to fill that vacancy, and such officer shall hold office until the  
14 election of his/her successor.  
15

16 8.10 Special Appointments. The Board may elect such other officers as the affairs  
17 of the Association may require, each of whom shall hold office for such period, have such  
18 authority, and perform such duties as the Board may, from time-to-time, determine.  
19

20 **ARTICLE IX.**  
21 **COMMITTEES OF THE BOARD**  
22

23 The Board, by resolution adopted by a majority of the full Board, may designate  
24 from among its members an executive committee and one or more other committees each  
25 of which, to the extent provided in such resolution and permitted by law, shall have and  
26 may exercise all the authority of the Board. The Board, with or without cause, may  
27 dissolve any such committee or remove any member thereof at any time. The designation  
28 of any such committee and the delegation thereto of authority shall not operate to relieve  
29 the Board, or any member thereof, of any responsibility imposed by law.  
30

31 **ARTICLE X.**  
32 **NOMINATING COMMITTEE**  
33

34 10.1 Composition of Committee. The Nominating Committee shall nominate  
35 candidates for the Directors' positions to be elected and filled by Members annually.  
36

37 10.2 Selection of Members to Nominating Committee. The Nominating Committee  
38 shall consist only of Members in good standing, as defined in Section 3.1.2, to be chosen as  
39 follows:  
40

41 10.2.1. The President, with approval of a majority of the Board of Directors  
42 shall appoint the members of this Committee. Other than the Secretary, no Director may be  
43 a member of this Committee.



1  
2 10.2.2. The President shall call the first meeting of the Nominating  
3 Committee, by giving written notice to each member of the Committee at least seven (7)  
4 days prior to the date of that meeting. The Chair of the Nominating Committee shall be  
5 elected at the first meeting by a majority vote of the committee members present.  
6

7 10.3 Selection of Candidates. Subject to the approval of the Board, the Nominating  
8 Committee shall establish the procedure for establishing a slate of nominees for election to  
9 the Board. In addition to the Nominating Committee's slate of nominees, any Member in  
10 good standing (as defined in Section 3.1.2) may be added to the slate of candidates by  
11 submitting a form provided by the Association no later than five (5) weeks prior to the  
12 Annual Meeting or the distribution of mail-in ballots.  
13

14 **ARTICLE XI.**  
15 **CONTRACTS, LOANS, CHECKS AND DEPOSITS**  
16

17 11.1 Contracts. Except as limited or restricted by the Declaration, the Articles,  
18 these Bylaws or applicable law, the Board may authorize any officer or officers, agent or  
19 agents, to enter into any contract or execute and deliver any instrument in the name of and  
20 on behalf of the Association, and such authority may be general or confined to specific  
21 instances. No contract or other transaction between the Association and one or more of its  
22 Directors or between the Association and any corporation, firm or association in which one  
23 or more of the Directors of the Association are directors, or are financially interested, is  
24 void or voidable because of such Director or Directors are present at the meeting of the  
25 Board or a committee thereof which authorizes or approves the contract or transaction or  
26 because his, her or their votes are counted, if the contract or transaction is just and  
27 reasonable as to the Association at the time it is authorized or approved. Common or  
28 interested directors may be counted in determining the presence of a quorum at a meeting  
29 of the Board or a committee thereof which authorizes, approves or ratifies a contract or  
30 transaction.  
31

32 11.2 Loans. No loans shall be contracted on behalf of the Association and no  
33 evidences of indebtedness shall be issued in its name unless authorized by a resolution of  
34 the Board. No loan approved by the Board in an amount in excess of \$10,000.00 shall be  
35 contracted until approved by a vote of a two-thirds of the Eligible Votes cast, provided the  
36 quorum requirement is met.  
37

38 11.3 Checks and Drafts. All checks, drafts or other orders for the payment of  
39 money, notes or other evidences of indebtedness issued in the name of the Association  
40 shall be signed by such officer or officers, agent or agents of the Association and in such  
41 manner as shall be determined by resolution of the Board.  
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These Amended and Restated Bylaws were approved at a meeting of the Association on APRIL 21, 2005, at which a quorum was present, by the affirmative vote of at least two-thirds (2/3) of the Eligible Votes cast.

SABINO SPRINGS HOMEOWNERS ASSOCIATION,  
an Arizona non-profit corporation

By: *Glenn W. Young*  
Its: President *Vice President*

ATTEST:

*Margaret Coombs*  
Secretary

