

**Bylaws of the Arbors of Creekwood
Homeowners Association, Inc.**

**Approved and Adopted
May 19, 1998
Amended February 24, 2004 and February 23, 2006**

This document shall serve as the Bylaws for the Arbors of Creekwood Homeowners Association, Incorporated hereinafter referred to as "the Association".

**Article 1
Membership**

1. Every owner of a residence in the Arbors of Creekwood, not within the, Estates of Creekwood, shall automatically be and must remain a member of the Association so long as such person is an owner of property within the Arbors of Creekwood. Those owners who meet their obligations to pay their share of the costs of maintaining the areas set forth in the Covenants through payment of the Association assessments shall be members of the Association in good standing. Voting rights will be granted to members in good standing with each household entitled to one (1) vote. The membership of a person in the Association shall terminate automatically whenever such person ceases to be an owner, except that such termination shall not release or relieve such person from any liability or obligation arising during such person's period of ownership. Any transfer of title of land shall operate automatically to transfer membership in the Association appurtenant to such land to the new owner of such land.

2. This Association shall establish a close liaison with the Estates of Creekwood Homeowners Association for the purpose of mutual cooperation in all matters affecting the residents of the Arbors of Creekwood. An officer of the Estates of Creekwood shall be invited as a guest to all Board of Directors meetings for the purpose of maintaining close liaison and communication regarding all matters of common interest. The residents of the Estates of Creekwood, if members in good standing of the Arbors of Creekwood Homeowners Association, shall not have any of their rights as a member of the Association diminished due to their membership in the Estates of Creekwood Homeowners' Association.

**Article II
Non-Profit Statement**

1. This Association is a perpetual non-stock corporation as described under the provisions of Title 32, Article 1396-3.02 of the Non-Profit Corporation Act of the State of Texas.

2. This Association shall be a non-profit, non-commercial, and non-sectarian as contemplated by Section 501 (c) (7) of the Internal Revenue Code of 1954 (any reference herein to any provision of such code shall be deemed to mean provisions as now or hereafter existing, amended, supplemented, or superseded).

**Article III
Board of Directors and Officers**

1. The Board of Directors of the Association shall be comprised of the five (5) officers of the Association: the President, Vice President, Secretary, Treasurer, At Large Member, and the ex-officio position, the immediate Past President.

2 The officers shall be nominated and elected by the Association membership in good standing at the Annual Meeting of the Association. The officers shall serve a term of one (1) year and without compensation in any form. Any vacancy in office shall be filled by appointment by the Board of Directors, with the exception of the President who shall be replaced by the Vice President, and shall serve the remaining portion of that office's term. If an officer fails to maintain member in good standing status, that office shall be considered vacant and shall be filled in accordance to the Articles of Incorporation and Bylaws.

3. The Board of Directors shall conduct the affairs of the Association and shall provide, and pay for (if applicable), from assessments, the following if and to the extent such have been or are hereafter provided by or contracted for by the Association or the Board of Directors as provisioned by and in accordance with the Articles of Incorporation and these Bylaws:

a) Care, maintenance, repair, and preservation of the common areas, including, without citation, the obligations pursuant to any Maintenance Agreement and the furnishing and upkeep of landscaped islands and the entrance to the subdivision including the building known as the "Guardshack";

b) Insurance and utilities which pertain to the common areas;

c) The services of persons or businesses to service, maintain, repair, build, clear, cut, fertilize, or plant and any other services necessary to accomplish the purpose and objectives of the Association or the membership;

d) Legal, accounting, and other professional services as deemed necessary by the Board of Directors or the membership;

e) Any other materials, supplies, or structural alteration, assessments or dues which the Board of Directors is required to obtain or pay for pursuant to the terms of the Articles of Incorporation and the Bylaws;

f) The collection of assessments and moneys due the Association;

g) To perform any other of the Board of Director's duties under the Articles of Incorporation and Bylaws by contracting third parties to enter into other contracts as provided herein, to maintain one (1) or more bank accounts and generally, to have all the powers necessary or incidental to the operation, function, and management of the Association;

h) To perform such other duties and functions as are necessary to carry out the rights and obligations of the Board of Directors and the Association under the Articles of Incorporation and Bylaws;

i) The Board of Directors shall meet no less than bi-monthly at such time and place as mutually designated. All actions of the Board of Directors will be decided by a majority vote;

j) The Board of Directors will present a report of actions and other matters it deems appropriate at each General Membership meeting.

4. To be eligible for election, a nominee must be a member in good standing and shall have no financial interest in the Arbors of Creekwood other than the ownership of a single dwelling.

5. The Board of Directors may establish or dissolve subordinate Boards or Committees, and appoint chairpersons as deemed necessary as well as its name or designation, purpose, the extent and limits of its authority, and the term of existence of the subordinate Boards or Committees.

6. The President will preside at all General and Special Membership and Board of Directors meetings. The President shall retain the right to call another officer to take the chair should the President wish to express a personal opinion or position to the subject matter before the assembly. The President shall act as the Chief Executive Officer of the Association and may perform or direct other duties as are incident to the office or are properly required of the office by the other members of the Board of Directors or by the membership body.

7. The Vice President shall act for the President during his or her absence in accordance with the provisions set forth in the Articles of Incorporation and these Bylaws as well as any other duties assigned to the office by the President, Board of Directors, or the membership body.

8. The Secretary shall be responsible for recording the minutes of the General, Special Membership, and Board of Directors meetings. The Secretary shall maintain the rolls of the Association containing the names, addresses, telephone numbers, and membership status. The Secretary shall maintain the files of the Association including, but not limited to, all correspondence, communications, minutes, contracts, and such other records and files as may come into the possession of this office or as directed by the Board of Directors or membership body. The Secretary shall also give notice of all General, Special Membership and Board of Directors meetings, including time, place, and agenda to the membership or Board of Directors, committee chairpersons, and the President of the Estates of Creekwood no less than seven (7) days prior to the meeting. The files of the Association shall be open to any member in good standing by written request. However, requests for copies of or access to the files, other than requests which the Secretary or Treasurer deem to be reasonable and appropriate, shall be submitted to the Audit Committee. If the Audit Committee deems the request to be reasonable, keeping in mind the voluntary nature of the files custodians, they shall notify the Secretary or Treasurer and establish a reasonable time for compliance. If the Audit Committee deems the request to be unreasonable, or the Secretary or Treasurer after the request has been approved still feel that compliance would create a personal hardship, then the matter may be submitted by the person making the request to the next General or Special Membership meeting for a final determination by the membership body.

9. The Treasurer shall act as the custodian, in a fiduciary capacity, of the funds of the Association and administer the finances of the Association. The Treasurer shall serve without bond and shall disburse funds using the Schedule of Authorization in Article XII, subparagraph 3. All checks in excess of \$1,000 require two (2) signatures, one of the Treasurer and the other of the President or Vice President. The Treasurer shall maintain a complete and accurate set of books and accounts and will annually prepare a complete financial statement including detailed balance sheet and income statement, in conformity with generally accepted accounting practices applied on a consistent basis, for presentation at the Annual Membership Meeting. The Treasurer shall present a brief report of the Association's financial condition at each General Membership meeting. The Association shall operate on a cash basis. The fiscal year of the Association shall be from June 1 through May 31. There shall be an annual audit of books, performed by the Audit Committee, in accordance with Article IV, subparagraph 2a. The results of such audit shall be read at the Annual Membership Meeting.

10. The At Large Member shall act as the Board of Directors liaison to the Audit Committee. He or she will recommend three (3) non-officer members in good standing for membership on the committee to the Board of Directors for approval. The position shall also carry out any other duties required by the Board of Directors or membership body.

11. The Past President position shall be filled by the Immediate Past President. If the Immediate Past President cannot or will not serve in this capacity, the position shall be filled by another person appointed by the existing Board of Directors, from persons not currently holding a position in the following order: Past Vice President, Secretary, Treasurer, or Member at Large. This position will serve in a consulting capacity to ease transition of the Board of Directors.

12. Any member or group of members in good standing can notify the President in writing of a charge against an officer or appointed chairperson or file such charge by making a motion at a Membership Meeting. The Association shall follow the procedures in Section 69, "Trails of Members of Societies", in Robert's Rules of Order to bring the matter before the membership. Removal shall require a seventy five percent (75%) vote of the membership in good standing, a quorum being present.

Article IV Committees

1. There will be two types of committees, Select Committees and Standing Committees. Each Committee will elect from among its members a Chairperson and Vice Chairperson. The Standing Committees' purpose, scope, and authority will vary from time to time due to changing circumstances. The Board of Directors reserves the right to remove any member from a committee with a four-fifths (4/5) vote of the Board of Directors. A Select Committee will be established by majority vote of the Board of Directors where a quorum is present to respond to a special problem or event not covered by a standing committee or officer. The record of the Board of Directors meeting shall indicate the purpose, name, designation, scope of authority, start date, and date of dissolution. Additional standing committees shall be approved by majority vote of the membership in good standing a quorum being present.

2. The following shall be Standing Committees:

a) The Audit Committee, whose members shall serve for one (1) year, will conduct an annual audit of the Association's financial condition, including examination of all financial books, accounts, and records, and prepare a report for presentation at the Annual Membership Meeting. The audit and report shall be conducted and produced completely independent of the Treasurer. If the Audit Committee's findings concur with the Treasurer's records, it shall not be necessary to duplicate the detailed information in the Treasurer's report. The Audit Committee shall perform other audits as directed by the Board of Directors or the membership body.

b) The Block Representative Committee will be composed of all block representatives. The committee will communicate matters of interest to the membership, distribute written materials, and assure that complaints are properly directed and answers received. The representatives shall act as the liaison between the membership and the Board of Directors and other committees.

c) The Grounds and Maintenance Committee shall oversee the maintenance of the common areas including contracts and contractors pertaining to the repair, maintenance, or improvement of common areas. The committee shall make recommendation to repair, maintain, or improve the common areas to the Board of Directors.

d) The Neighborhood Watch Committee will maintain a relationship with the Mansfield Police Department and other public services in order to bring about proper coordination of activities whenever

crimes or safety issues impact the area. In matters of security and traffic safety, the committee shall pursue remedies with the City and police department and will keep the membership informed.

- e) The Newsletter and Directory Committee shall maintain and publish the Association newsletter, the *Grapevine* and the annual directory. Additions and corrections will be printed and distributed as deemed necessary by the committee. The committee shall solicit advertising to defray the costs associated with the production and distribution of the newsletter and directory.
 - f) The Social Committee shall plan and coordinate social activities for the association.
 - g) The Architectural Control Committee shall be composed of three (3) members in good standing and is appointed by the Board of Directors. The committee shall evaluate, and if appropriate, approve any plan submitted by a homeowner in accordance with the Declaration of Covenants, Conditions, and Restrictions for the Arbors of Creekwood. The members of the committee shall not be entitled to any compensation for services performed.
3. Any standing committee shall be empowered to create subcommittees to handle specific tasks with the scope to fall within the responsibilities of the standing committee as defined herein. The purpose, name, designation, start date, and date of dissolution will be reported to the Board of Directors and recorded in the Board of Director minutes.
4. The chairpersons of each committee shall maintain close liaison with the Board of Directors and keep them informed of matters under consideration. It is the responsibility of committee chairpersons to bring to the attention of the Board of Directors any considerable deviation from the basic purpose and scope of a standing or select committee.

Article V Meetings

1. General Membership meetings shall be held at the discretion of the Board of Directors with the date, time, and place published no less than 30 days prior to such meeting. A membership meeting shall be held in February of each year and shall be designated as the Annual Meeting for the purpose of electing officers, presenting the annual report of the Treasurer and audit results, fixing the amount of annual assessment, and such other business as may properly come before the membership. Special meetings of the membership may be called by the Board of Directors or by petition signed by not less than twenty percent (20%) of the members in good standing. All membership meetings shall be conducted in accordance with Robert's Rules or Order. The usual order of business will be:

- a) Call the meeting to order
- b) Reading and approval of the minutes from the last Annual Meeting
 - i) Objections and corrections
- c) Committee Reports
 - i) Standing Committees
 - ii) Select Committees

- d) Officer Reports
 - i) At Large Member
 - ii) Treasurer
 - iii) Secretary
 - iv) Vice President
 - v) President
- e) Old Business
- f) New Business
- g) Adjournment

2. Nothing herein prohibits the presentation of a negative report except for the Treasurer's report and those reports mandated for presentation at the Annual Meeting.

3. All motions shall require a majority vote of the members in good standing, a quorum being present, with the exception of the following which require a two-thirds (2/3) vote for adoption:

- a) To suspend the rules
- b) To make a special order
- c) To take up a question out of proper order
- d) An objection to the consideration of a question
- e) To extend the limits of a debate
- f) To close or limit a debate
- g) The previous question: a motion used to bring the assembly to an immediate vote on one or more pending questions

4. In any instance where a quorum is not present at a General or Special Membership meeting, the Board of Directors may submit any item on the meeting agenda they deem sufficiently important and necessary to a mail ballot to insure the uninterrupted business of the Association. In such case the return deadline shall be determined by the Board of Directors and be clearly stated on the ballot, and all ballots shall be returned to the Secretary to gather and be delivered to the Board of Directors, unopened, to tally.

5. If an amendment to the Bylaws is to be placed before the membership at any General or Special Membership meeting in accordance with Article VIII, paragraph 2 of the Bylaws, the member intending to make such motion to adopt, amend, or rescind any part or parts of these Bylaws must provide the Secretary with written notice of that fact and the exact wording of the proposed adoption, amendment, or rescission in sufficient time for such notice to be included in the meeting notice required in Paragraph 1 of this Article.

Article VI

Voting

1. Voting Members

One member per household in good standing may vote in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after six (6) months from the date of its execution unless otherwise provided in the proxy. The member must obtain the proxy form from the HOA Board of Directors prior to the date of the meeting. No proxy vote shall be counted toward a quorum at any meeting.

2. Voting of Members of Board of Directors

An officer may vote in person or by proxy executed in writing by the officer. No proxy shall be valid after three (3) months from the date of its execution.

**Article VII
Quorum**

1. The quorum for a Board of Directors meeting shall be sixty percent (60%) of the voting members in good standing of the Board of Directors of this Association.

2. The quorum for a General or Special Membership meeting shall be ten percent (10%) of the voting members in good standing with at least sixty percent (60%) of the Board of Directors in good standing present.

**Article VIII
Amendments**

1. The membership in good standing shall have the power to adopt, amend, and rescind these bylaws as allowed by the laws of the State of Texas

2. The Bylaws of the Association may be adopted, amended, or rescinded by presenting a motion, moved and seconded, and passed by a majority of the membership in good standing, a quorum being present. Any member making such a motion must first have complied with the notice requirements contained in Article V, Paragraph 5 of these Bylaws.

**Article IX
Use of the Association or Officers' Names**

1. The name of the Association or names of any of the Officers of the Association in their official capacities shall not be used in connection with any commercial enterprise or any partisan interest or for any purpose not directly related to the promotion of the objectives of the Association.

**Article X
Association Assessments**

1. Each household within the Arbors of Creekwood shall pay the annual assessment and any special assessments in order to provide the Association with the necessary finances to comply with the requirements of the Covenants and Restrictions in an amount to be determined by the membership at the Annual Meeting. The Board of Directors shall present a recommendation to the membership as to the amount of such assessments based on the anticipated costs of meeting the Association's obligations and on the Association's financial condition. Assessments shall be due and payable no later than thirty (30) days after the mailing of assessment notices prior to the start of the new fiscal year. However, the Association shall only disburse funds for the administration of the Association or for projects in the common areas of the Arbors of Creekwood outside the gates of that area known as the Estates of Creekwood due to its private and restricted access.

Article XI
Finances and Indebtedness

1. Any indebtedness shall be first authorized using the Schedule of Authorization as spelled out in Article XII, Paragraph 3.
2. The private property of the Officers and the membership of the Association shall be forever exempt from the Association's debts and obligations.
3. No individual member of the Association is authorized to incur any debt against the Association except as authorized by the Articles of Incorporation and these Bylaws.

Article XII
Finances

1. The Association shall maintain a contingency fund in an amount to be recommended to the membership in good standing by the Treasurer at the Annual Membership Meeting and shall be reported in the Treasurer's Report. The Board of Directors shall regularly review the amount in the contingency fund to assure it is sufficient to meet the emergency needs of the Association. If it is determined the contingency fund is not sufficient to meet the needs of the Association, the Board of Directors may adjust the funds amount and report all such adjustments to the membership at the next Annual Membership Meeting.
2. The Association shall maintain a Liability Insurance Policy in an amount to be determined by the Board of Directors.
3. Schedule of Authorization for disbursement of Association funds, in every case a Disbursement Authorization shall be completed for:
 - a) Any purchase or work with a cost up to and including two hundred fifty dollars (\$250.00) funds shall be disbursed upon receipt of a signed Disbursement Authorization form. Proper receipts shall be filed with the Disbursement Authorization.
 - b) Any purchase or work with a cost in excess of \$500 (Five Hundred Dollars) but less than one thousand (\$1,000.00), at least three (3) bids shall be solicited and obtained in writing or by phone. A record of the bids and the names and addresses of the persons and/or businesses providing such bids shall be included on or attached to the Disbursement Authorization form, which shall be approved by a majority of the Board of Directors.
 - c) Any purchase or work with a cost in excess of one thousand dollars (\$1,000.00) but less than \$3,000 (Three thousand Dollars), at least three (3) formal bids shall be solicited and obtained. The formal written bids shall be attached to the Disbursement Authorization form, which shall be approved by an eighty percent (80%) vote of the Board of Directors. All purchases or work with a cost in excess of one thousand dollars (\$1,000.00) shall be reported to the membership at the next Annual Membership Meeting.
 - d) Any purchase or work with a cost in excess of \$3,000 (Three thousand Dollars) shall be submitted to the membership in good standing for approval. At least three (3) formal bids must be obtained, outlining in detail the specifics of the item or items to be purchased or work to be performed with a listing of materials to be provided by the

bidder and as estimated delivery or completion date. The membership shall be notified of the details of the bids prior to the vote. Contractors shall attach proof of liability insurance unless waived by a majority of the Board of Directors.

Approval of a renewal of a contract in excess of three thousand dollars (\$3,000) which has been previously approved by the membership in good standing as outlined above, may be authorized by a majority vote of the Board of Directors provided the total cost of renewal has not increased by more than ten percent (10%). An explanation of the increase in the contract price shall be attached to the Disbursement Authorization form.

4. The Association's financial records shall be maintained for at least ten (10) years unless otherwise stated by the State of Texas or the Internal Revenue Code.