

# **BYLAWS OF: KEY RANCH ESTATES PROPERTY OWNERS ASSOCIATION AS AMENDED MAY 2009**

## **Article I Parliamentary procedure**

Section A. All meetings of the Association or any body thereof shall be conducted in accordance with those procedures specified by 'Robert's Rules of Order" revised.

Section B. Upon the approval of a majority of the members present at any meeting, parliamentary procedures may be suspended for the duration of that meeting, or any specific portion thereof.

Section C. Unsettled disputes over procedures shall be referred to, and settled by the presiding officer.

## **Article II Membership**

Section A. All persons owning real estate in Key Ranch Estates are a member of the Key Ranch Estates Property Owners Association. Eligibility for membership in this organization is limited to the lot owners in Section One, Two, and Three of the Key Ranch Estates Subdivision, a subdivision in Henderson County, Texas as recorded in the plat records of Henderson County, Texas.

## **Article III Dues, Fees and Expenses**

Section A. The annual membership dues of the Association shall be determined by the Board of Directors based upon their projection of financial requirement of the Association. This assessment shall be per lot and subject to the approval by a majority of the eligible votes at the annual meeting in May, or at any Special Called Meeting of the general membership.

Section B. Dues must be paid in full by July first of each year. Any dues paid later than July tenth of each year are considered late and a late charge will be assessed. Late charges shall be approved by the board of directors.

Section C. Nonpayment of annual dues, Board assessed fees and associated expenses (including legal expenses) by any member shall result in forfeiture of the right to hold office or vote and gives the Association the privilege of filing a notice for the said unpaid Association dues assessed fees and associated expenses against the property, and claim any lien provided by deed restrictions or law. In the event the Association shall claim a lien for unpaid membership dues or any special assessment, Board approved fees and/or associated expenses, the lien shall be junior and subordinate to any lien which may be placed on any lot or any portion of any lot as security for interim construction loan and/or any permanent loan for financing improvement on said lot, and/or any purchase money loan for any lot on which a dwelling or building complying with the "Deed Restrictions" has theretofore been constructed. Where delinquent dues, fees and associated expenses are outstanding and a notice is filed (in addition to notice established by restriction of record) the member shall pay the Association the cost of filing the notice and a charge (now fixed by the board at \$25.00, but subject to change by the Board) to cover the cost of furnishing the release and the clerical and/or legal expense associated with the notice process. The filing of the notice shall not constitute any waiver by the Association of its rights under the provisions of the Deed Restrictions. All fees and expenses levied are subject to Board approval and/or the waiver thereof, with detail noted in the Board minutes and maintained for ten years at the Association's headquarters.

## **Article IV Meetings**

Section A. The annual all membership meeting of the Association shall be the third Saturday in May at a place and time set by the Board of Directors.

Section B. In addition to the annual membership meetings the Board of Directors may call a special all membership meeting as the Board of Directors deem necessary.

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Section C. Notice of the annual membership meeting shall be mailed to each member not later than ten (10) days before each meeting stating the date, time, place, agenda, and voting ballot (if required).

Section D. Notice of any Special all membership meeting shall be mailed to each member not later than ten (10) days before each meeting stating the date, time, place, agenda, and voting ballot (if required).

Section E. Notice will be deemed to have been properly and sufficiently mailed if mailed to the address given to the secretary by the member or to the last known address.

Section F. The Board of Directors shall meet monthly at a time and place specified by the President of the Board of Directors and with consideration toward the convenience of the remaining Board members.

Section G. In addition to the regular Board of Directors meetings, the President of the Board or six directors may call special Board of directors meetings as deemed necessary.

Section H. All meetings shall be open to all Key Ranch Estates Property Owners Association members and members are invited to attend all meetings.

### **Article V Board of Directors**

Section A. The Board of Directors shall consist of nine (9) members.

Section B. No work or expenditures shall be made without the approval of the Board of Directors.

Section C. The Board of Directors shall have the power to expend such sums of money as are necessary for the maintenance and operation of the Association, but they may not incur debt exceeding three (3) years except with the consent of a majority of the eligible votes at an annual all members meeting or at a Special all Members meeting.

Section D. Should any Board member fail to attend three (3) consecutive regular Board meetings for any reason, the remaining Board members are obligated to terminate the member's Board membership at the third missed meeting.

Section E. No officer, or director, or any member of their family, shall receive any salary or compensation from the Property Owners Association of Key Ranch Estate except reimbursement for actual expenses incurred as a result of carrying out the duties of their position as a member of the Board of Directors.

Section F. If any of the Officers (except the President) or Directors position becomes vacant, for any reason, any Board of Directors member may recommend a replacement. The recommended replacement must then be approved by a majority of the remaining Board members to fill the unexpired portion of that term.

Section G. No property owners' association properties or moneys shall be donated to or used by any organization, association or individual, except for the practice of sending flowers or a donation in the event of a Property Association Member's death.

Section H. All decisions of the Board of Directors must be directed to the preservation of the Association's purpose and to the maintenance of the continuity of the Association's affairs.

Section I. The minutes of the prior meeting of the Board of Directors shall be read at the next regularly scheduled meeting of the Board of Directors, at which a quorum is present, following the calling to order of said meeting of the Board of Directors.

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Section J. A request by any Association member who is in good standing, that the Board of Directors reconsider a previous action or decision must be passed by two thirds (2/3) of the Board of Directors members present, before the reconsideration is allowed.

#### **Article VI QUORUM**

Section A. A quorum at any Association general membership meeting shall be fifteen (15) members in good standing who represent fifteen (15) households.

Section B. A quorum of the Board shall consist of six (6) of nine (9) Board members, including officers.

Section C. A member of the Board of Directors must attend in person to vote or otherwise participate in the business before the Board of Directors.

#### **Article VII Elections**

Section A 1. The President shall appoint an election committee of Four (4) Key Ranch Estates property owners who are in good standing, not later than sixty (60) days prior to the annual or any special called all members meeting. The election committee shall be made up of two (2) current Board members and two (2) Key Ranch Estates property owners who are not current Board members or a member of any current Board members family. The appointment of the election committee must be approved by the Board of Directors.

Section A 2. The election committee shall prepare and mail a notice to all members in good standing asking if they desire to run and for the name and lot numbers and Board position desired. This notice is to be returned to the mailing address of the Association prior to the preparation of the ballot.

Section B 1. Any Key Ranch Estates property owner's association member in good standing and without a felony conviction is eligible to hold office in the Association and may declare himself or herself to the election committee as a candidate for election to the Board and must be included on the ballot. Under no circumstances shall more than one member of a household serve on the Board at any one time.

Section B 2. The definition of "good standing" throughout these bylaws shall mean the member is paid current of membership dues and is not currently in violation of the deed restrictions.

Section C. The election committee shall prepare a ballot listing all interested candidates and present the list to the Board of Directors not later than thirty (30) days prior to the annual meeting.

Section D. The Board of Directors shall be elected at the annual meeting for a term of one (1) year.

Section E 1. In the event that fewer than nine (9) eligible property owners declare themselves candidates to the election committee on or before the prescribed date, the Election Committee shall report this condition to the President, and an Emergency Election Meeting of the current Board of Directors shall be called, and the undeclared seats on the ballot shall be filled by names of eligible property owners selected by a majority vote of approval by the Board of Directors.

Section E 2. In the event that fewer than Six (6) members of a duly elected Board of Directors remain seated as a result of death, illness, resignation, or other reason, resulting in the lack of a quorum, then an Emergency Election Meeting shall be called of the remaining Board of Directors, and those vacant seats shall be filled by eligible property owners selected by a majority vote of approval of the remaining Board members.

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Section F 1. The Election Committee shall assemble a ballot listing all interested candidates and mail this ballot to the general membership not later than three (3) weeks prior to the annual meeting.

Section F 2. The ballot may also include provision for a vote on other issues considered to be for the betterment of the Association.

Section G. Written ballots may be presented personally by the property owner at the annual all members meeting prior to the posted time and date of the annual all members meeting or may be returned by mail. Ballots returned by mail to be valid must be postmarked not later than seven (7) days prior to the annual all members meeting. Proxy voting is not allowed.

Section H. Each household represents one vote and only one vote may be cast with respect to each household, regardless of the number of memberships or lots owned.

Section I. A ballot box equipped with a seal shall be placed in the business office, in which to deposit all ballots received either personally by property owners or by mail prior to the election date. This shall be the responsibility of the election committee.

Section J. A post office box shall be rented at the Trinidad, Texas post office for the purpose of receiving mailed ballots. Two members of the election committee will be responsible for picking up all ballots from the post office box on a regular basis prior to the day of the meeting.

Section K. The President of the Property Owners Association will determine the time on Election Day that the ballot box will be opened. A majority of the members of the election committee shall be present.

Section L. The election committee shall count all ballots and present the results to the President, or other presiding officer of the Property Owners Association meeting.

Section M. Any candidate requesting a recount must petition the current Board within Seven (7) days of the election. A recount shall be approved by a majority of the Board. The requesting candidate and the election committee shall perform the recount.

Section N. After any election all ballots shall be returned to the ballot box, the ballot box sealed and kept for forty five (45) days. The Election Committee shall then destroy the ballots.

Section O. The President and the Secretary/Treasurer shall be elected at large by the eligible votes of the Key Ranch Estates Property Owners Association Members.

Section P. The Vice President of the Property Owners Association of Key Ranch Estates will be selected from the Board of Directors and Elected by the Board of Directors at the first Board of Directors meeting following election to office.

Section Q. The newly elected Board of Directors of the Association shall assume office immediately upon adjournment of the annual all membership meeting at which they are elected.

**Article VIII Duties of officers and Board of Directors**

Section A. President

The President of the Association shall have, but not be limited to the following authority:

1. Preside at all meetings of the Association and the Board of Directors.
2. Schedule annual and special meetings.
3. Appoint chairmen of operating committees to assist in managing the affairs of the Association to coincide with his term in office.

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4. In addition to the permanent operating committees, the President may appoint special committees and chairmen as the need may arise.

5. Shall act as ex officio member of all committees except the Election Committee.

6. The presiding officer shall not have a vote except to break a tie vote.

7. The permanent operating committees shall be as follows:

a. Building and Restrictions Committee

This committee shall consist of a minimum of two Board members entrusted with the responsibility of determining that the Deed Restrictions are complied with by all property owners according to the provisions as set forth in the Restrictions. Any non compliance shall be reported to the Board of Directors for consideration, and any needed action taken.

b. Street Light Committee

This committee shall consist of a minimum of one Board Member. Duties shall include working with the local electrical service provider in order that the street lights are maintained in good working order, and to recommend to the Board of Directors, the removal of unneeded lights and/or the installation of new lights where needed and approved by the Board of Directors.

c. Mowing Committee

This committee shall consist of a minimum of one Board member. Duties shall include overseeing the regular mowing of the unimproved lots in the subdivision and reporting any needed maintenance, service, or repairs the mowing equipment needs, to the Board of Directors for their authorization of any expenditure.

d. Street Committee

This committee shall consist of a minimum of one Board member. Duties shall include coordinating and working with the County Commissioner for all required maintenance of the streets within the subdivision and making recommendations to the Board of Directors for any needed repairs or construction.

e. Community Center

This committee shall consist of a minimum of two Board members. Duties shall include regular checks of the building for any required maintenance or repairs which need to be reported to the Board of Directors. Maintain a calendar and record of members booking the facility, periodic cleaning, setup of tables and chairs for meetings and other activities, and informing Association members of the required deposits and rules concerning the use of the facility for private functions.

f. Oversight Committee

This committee will provide an annual audit of the Associations records and financials.

**Section B. Vice President**

The Vice President of the Association shall conduct the business of the Association during the absence of the President. If the office of President becomes vacant, the Vice President shall become the President of the Association. The Vice President shall not have a vote while as presiding officer in the absence of the President except to break a tie vote.

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Section C. Secretary/Treasurer

The Secretary/Treasurer shall be responsible for the following:

1. Keeping accurate records on the proceedings of all meetings.
2. The collection of and accounting for all moneys and payment of bills as directed by the Board.
3. Shall notify Board members of meetings.
4. Sending written notices to members for annual or special called meetings.
5. Ordering flowers or making Board authorized donations in the event of a death of a Key Ranch Estates Property owner member.
6. Preparing monthly financial operating statements copies of which will be presented to each Board member monthly. Copies of the annual statement shall be made available to all members requesting them.

Section D. Office Secretary:

1. May be hired by the Board of directors.
2. Shall report directly to the Secretary/Treasurer who is responsible for the office Secretary's complete job description.
3. Shall be responsible for attending all Key Ranch Estates Property Owners Association meetings and all Board meetings, and to keep accurate records of the proceedings.
4. Compensation shall be set by the Board and be subject to annual review. The Secretary/Treasurer shall make a recommendation for compensation based on work time required to complete the affairs of the Key Ranch Estates Property Owners Association but the Board shall have the right to accept or reject his or her recommendation.
5. The office secretary shall not be a member of the Board of Directors and shall not have a vote at Board meetings.

**Article IX Dissolution**

Section A. Upon the approval of two thirds (2/3) of the Association's eligible voting members, the Association may be dissolved.

Section B. Dissolution of this organization for any reason will be handled in compliance with the applicable civil statutes of the state of Texas nonprofit Corporations or/and any other applicable laws addressing dissolution. All property will be sold and all debts are to be paid. Any moneys remaining shall be donated to a nonprofit charitable organization of the Board of Directors' choosing. A complete and final accounting shall be recorded in the county records of Henderson County, Texas. The dissolution of the Association and making the dissolution a matter of public record will be the responsibility of the current President of the Association and his or her Board of Directors.

**Article X Amendments**

Section A. These bylaws may be altered, amended, or repealed, at any all members meeting by the approval of not less than a two thirds (2/3) majority of the eligible members in good standing in attendance voting.

**Article XI Invalidation Clause**

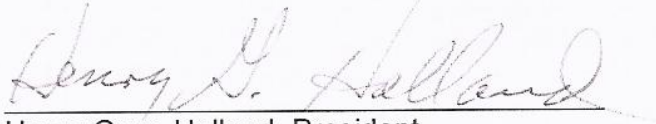
Section A. Should any article or section of these bylaws be found to be invalid, such findings shall not void or invalidate the remaining articles and/or sections.

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Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

KEY RANCH ESTATES PROPERTY  
OWNERS' ASSOCIATION  
324 Lazy Cane Ranch Road  
Trinidad, TX 75163

Key Ranch Estates POA  
324 Lazy Cane Ranch Road  
Trinidad, TX 75163

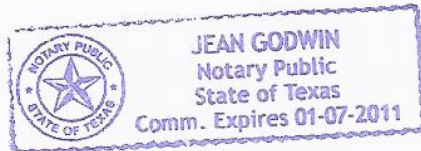
  
Henry Gene Holland, President

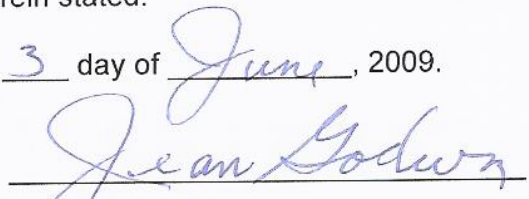
THE STATE OF TEXAS

BEFORE ME, the undersigned Notary Public in and for The State of Texas, on this day personally appeared Henry Gene Holland, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the Association, and that he executed the same as the act of such Association for the purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of the office this 3 day of June, 2009.

(SEAL)



  
JEAN Godwin  
Notary Public for the State of Texas