

**AMENDED AND RESTATED BYLAWS OF  
SOUTH RIM PROPERTY OWNERS ASSOCIATION**

**ARTICLE I  
OFFICE**

These Amended and Restated Bylaws of South Rim Property Owners Association are made and effective April 1, 2023 and replaces and supersedes all previous Bylaws. The initial principal office of the corporation in the State of Arizona shall be located in Flagstaff, Coconino County, Arizona. The corporation may have such other offices, either within or without the State of Arizona, as the Board of Directors may determine or as the affairs of the corporation may require from time to time.

**ARTICLE II  
MEMBERS' MEETINGS AND VOTING**

**SECTION 1. Voting:** Action requiring a vote by the members that the Association may take at any annual, regular or special meeting of members may take place one of two ways: a) Written ballot cast in person at the meeting, prior to the meeting being called to order. b) By written ballot mailed, faxed, or emailed, and received in accordance with ballot instructions. The Association shall deliver a written ballot to every member entitled to vote at the same time as notice of the meeting is given, which states that the completed ballot must be received prior to or at the meeting in order to be counted. Written ballots shall provide for the name of the member voting, set forth each proposed action and provide an opportunity to vote for or against each proposed action. Voting by proxies is not allowed in accordance with the laws of the State of Arizona.

**SECTION 2. Quorum:** Unless otherwise stated herein or in the Declaration of Covenants, Conditions and Restrictions (herein after referred to as the "Declaration") when the number of ballots received, along with the number of members present in person at a meeting represents ten percent (10%) of the votes entitled to be cast, a quorum shall exist. The acts approved by a majority of the members present at a meeting at which a quorum is present, shall constitute the acts of the members except when approval by a greater number of members is required herein or by the Declaration. With regard to amending the Declaration, a quorum of twenty five percent (25%) of the members entitled to vote shall be required at a meeting held for that purpose.

**SECTION 3. Notice of Meetings:** The Association shall notify members in writing of the date, time and place of each annual, or special members' meeting at least ten (10) days prior to, but not more than fifty (50) days before the meeting date. Changes to any normally scheduled meetings as to date, time or location may be made by Board discretion, as long as members are notified per the above. In the case of a special meeting, the purpose for which the meeting is called shall also be stated in the notice. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his/her address as it appears on the books of the Corporation with postage prepaid.

**SECTION 4. Annual Meeting:** The annual meeting of the members shall be held on the second Saturday of April each year at 1:00 p.m. AZ time. Dates and times of the annual meeting may be changed by the Board as long as notice is given to the members in accordance with Article II Section 3.

**SECTION 5. Special Meetings:** Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of the members representing fifteen percent (15%) of the members entitled to vote. Such meetings will be announced in accordance with Article II Section 3.

**SECTION 6. Board Meetings:** Regular meetings of the Board of Directors shall be held on the second Saturday of July, October, and January at a location and time to be set by the Board. Location, date and times are posted on the official website at least ten (10) days prior to the meeting. All matters of association business

may be conducted at these meetings. Any member of the Association shall be allowed to attend and may offer comments and suggestions subject to the permission of the President or any two (2) Directors of the Board. Said permission shall be granted only for limited participation of said member. An annual meeting of the Board of Directors shall be held following the Annual Members' Meeting in April for the election of officers as required by Article IV Section 2.

**SECTION 7. Executive Meetings:** Executive meetings of the Board of Directors may be called by, or at the request of the President or any two (2) Directors. The person or persons authorized to call executive meetings of the Board may fix any location as the place for holding any executive meeting of the Board called by them. These are closed meetings and are not open to the membership in accordance with the laws of the State of Arizona. Notice of any executive meeting of the Board of Directors shall be given at least ten (10) days prior by written notice, delivered personally, sent by mail or email to each Director at his/her address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular annual meeting or any executive meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws, in the event they are amended. Notice to the membership of an executive meeting to be held, will be posted on the official website ten (10) days prior to the meeting.

**SECTION 8. Place of Meetings:** The Board of Directors may designate any place, within the State of Arizona, as the place of meeting.

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

**SECTION 1. Powers:** Subject to the limitations of the Articles of Incorporation, the Declaration and these Bylaws, the affairs of the corporation shall be exercised and managed by its Board of Directors. The Directors are vested with and shall have the following powers, to-wit:

- A. To select, appoint and remove all officers, agents and employees of the Association. To prescribe such powers and duties for them as may be consistent with law, the Articles of Incorporation and these Bylaws. To fix their compensation, and to require from them security for faithful service when deemed advisable by the Board.
- B. To conduct, manage and control the affairs and business of the Association.
- C. To change the principal office for the transaction of the business of the Association from one location to another and to adopt and use a corporate seal.
- D. To borrow money and to incur indebtedness for the purposes of the Association and to cause to be executed and delivered, in the Association's name, promissory notes, contract bonds, deeds of trust, mortgages, pledges or other evidences of debt and security therefore.
- E. To fix and levy annual assessments upon the members of the Association. To determine and fix the due date for the payment of such assessments and the date upon which the same shall become delinquent. Such assessments shall be fixed and levied only to provide for the payment for: 1.) The expenses of the Association. 2.) Taxes and assessments upon real or personal property owned, controlled or occupied by the Association as general common elements. 3.) Labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such general common elements for the general benefit and welfare of its members. Should any member fail to pay such assessments before delinquency, the Board of Directors, in its discretion, is authorized to enforce the payment of such delinquent assessments as provided in the Declaration.
- F. To enforce the provisions of these Bylaws and the Declaration along with any other agreements of the Association.

- G. To maintain liability and general property insurance on any common area and roadways and any other policy or policies of insurance as the Board of Directors deem necessary in furthering the purposes of and protecting the interest of the Association and its members.
- H. To contract for and pay maintenance, materials, supplies, and services relating to operation of the development, including legal and accounting services. To contract and pay for improvements and common expenses.
- I. Directors need not be residents of the State of Arizona.
- J. The annual assessment may not be increased more than three percent (3%) over the immediately preceding fiscal year's assessment without a favorable majority vote of the members at a Members' Meeting according to the voting rules defined in Article II of these Bylaws.

**SECTION 2. Election, Number, Tenure and Qualifications:** A director must be an owner or the spouse of an owner who is at least 18 years of age. The business and affairs of the Association shall be managed by a Board of five (5) directors. In the first year after the date of this amendment, two (2) directors shall be elected for a term of one (1) year and three (3) directors for a term of two (2) years. Each year thereafter, directors shall be elected for two (2) vacancies and three (3) vacancies successively for terms of two (2) years each. This will provide staggered terms of office for the Board of Directors. Directors shall serve their term or until their respective successors are elected, or until their death, resignation or removal, whichever is the earlier. Vacancies on the Board may be filled by a majority vote of the remaining Directors though less than a quorum, and each Director so elected shall hold office until his/her successor is elected by the members.

**SECTION 3. Quorum:** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Directors are present, either in person or via phone-in, at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

**SECTION 4. Manner of Acting:** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

**SECTION 5. Compensation:** Directors shall not receive any stated salary or any form of payment for their services.

**SECTION 6. Informal Action by Directors:** Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Director may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

## **ARTICLE IV OFFICERS**

**SECTION 1. Officers:** The officers of the corporation shall be President, Vice President, Secretary and Treasurer and such other officers as may be elected in accordance with the provisions of this Article. Any two or more offices may be held by the same person, except the offices of President and Secretary.

**SECTION 2. Election and Term of Office:** The officers of the corporation need not be members, but must be at least 18 years of age. The officers of the corporation shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors. If the election of officers cannot be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filed at any meeting of the Board of Directors. Each officer shall hold office until his/her successor has been duly elected and qualified.

**SECTION 3. Removal:** Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served.

**SECTION 4. Vacancies:** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board Directors for the unexpired portion of the term.

**SECTION 5. President:** The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He/she shall preside at all meetings of the members and of the Board of Directors. He/she may sign, with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the corporation and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

**SECTION 6. Vice President:** In the absence of the President or in event of his/her inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

**SECTION 7. Treasurer:** If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety as the Board of Directors shall determine. He/she shall have charge and custody of and be responsible for all funds of the Association; receive and give receipts for money due and payable to the Association from any source whatsoever, and deposit all such money in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these Bylaws and in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

**SECTION 8. Secretary:** The Secretary shall oversee the keeping of the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose: a) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law. b) Be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these Bylaws. c) Keep a register of the post office address of each member which shall be furnished to the Secretary by such member. d) In general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

## **ARTICLE V COMMITTEES**

**SECTION 1. Committees of Directors:** The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of (which shall consist of one (1) or more Directors, which committee, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association, except that no such committee shall have the authority of the Board of Directors, in reference to amending, altering or repealing by Bylaws, electing, appointing or removing any Director or officer of the Association, amending the Articles of Incorporation, restating articles of incorporation, adopting a plan of merger or adopting a plan of consolidation with another Association or corporation, authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Association, authorizing the voluntary dissolution of the Association or revoking proceedings therefore, adopting a plan for the distribution of the assets of the Association or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. All committees must consist of members in the Association and shall exist at the will of the Board of Directors. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it by him or her by law. Members of such committees shall be appointed by the

Committee Chairman, except for that member who is designated and appointed by the Board of Directors. Any other changes to the Membership of the Committee shall be performed by the Committee Chairman.

**SECTION 2. Other Committees:** Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Association, and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

**SECTION 3. Term of Office:** Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his/her successor is appointed, unless the committee shall sooner be terminated, or unless such member be removed from such committee, or unless such member cease to qualify as a member thereof.

**SECTION 4. Chairman:** One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

**SECTION 5. Vacancies:** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

**SECTION 6. Quorum:** Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

**SECTION 7. Rules:** Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

## **ARTICLE VI CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

**SECTION 1. Contracts:** The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

**SECTION 2. Checks, Drafts, etc.:** All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by two officers of the Association, and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Secretary or Treasurer and countersigned by the President or Vice President of the Association.

**SECTION 3. Deposits:** All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

## **ARTICLE VII ANNUAL BUDGET**

A budget setting forth an estimate of anticipated basic expenses shall be prepared by the Board of Directors and distributed to members not less than thirty (30) days prior to the start of the fiscal year as set forth in the Declaration. Basic expenses shall mean the estimate aggregate amount of expenses, as set forth in the budget, to be incurred by the Association during the calendar year to insure, operate, administer and manage Association matters, maintain and/or improve roadways, gates, fences, culverts, and cattle guards involving such

roadways, water wells and any other such common areas so designated as an Association function and to provide for reserves to ensure when due, the cost of capital expenditures relating to any such purposes.

**ARTICLE VIII  
ANNUAL REPORT**

The Board of Directors shall distribute to the all members, within sixty (60) days after the fiscal year end, an annual report consisting of: a) Balance sheet showing an accounting of all monies received by the Association and disbursed during the year. b) An estimated annual budget for the upcoming year on which the regular assessments are based. c) Other documents as determined by the Board of Directors.

**ARTICLE IX  
CONSTRUCTION**

Nothing contained in these Bylaws shall in any way be construed as altering, amending, or modifying the Declaration of Covenants, Conditions, and Restrictions (and any Amendments thereto) such Declaration and these Bylaws shall always be construed to further the harmonious, beneficial, cooperative and proper use and conduct of the property. If there is any inconsistency or conflict between these Bylaws and such Declaration, the provisions of the Declaration shall control. All words and terms used in these Bylaws which are also in the Declaration shall have the same meaning as provided for such words and terms in the Declaration.

**ARTICLE X  
BOOKS AND RECORDS**

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors. All books and records of the Association may be inspected by the members for any proper purpose at a reasonable time within ten (10) days of a written request.

**ARTICLE XI  
FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

**ARTICLE XII  
WAIVER OF NOTICE**

Whenever any notice is required to be given under the provisions for Arizona non-profit corporations or under the provisions of the Articles of Incorporation or the Bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE XIII  
AMENDMENTS TO BYLAWS**

The Board of Directors may adopt, amend or repeal any of these Bylaws, with the exception of those articles and sections listed below. The following articles and sections require a vote of the members, as provided in Article II, to adopt, amend or repeal any of these Bylaws.

- A. The provisions of Article II, Sections 1, 2, 3 and 4 relating to meetings and voting of the members.

B. The provisions of Article III, Section 1.J. relating to assessment increases, Article III, Section 2, relating to the election of Directors and filling vacancies of the Board, and Article III, Section 5, compensation to Directors.

C. The provisions of Article V, Section 1, relating to Committees of Directors.

D. The provisions of Article VI, Section 2, relating to checks, drafts, etc.

E. The provisions of Article VII, relating to the Annual Budget.

F. The provisions of Article VIII, relating to the Annual Report.

G. The provisions of Article X, relating to books and records.

IN WITNESS THEREOF, the parties hereto have executed these By laws effective on the date first above written.

[Signature]

Larry Gantner, Director, President

[Signature]

Erin Barela, Director, Vice President

[Signature]

Margit (Veronica) DeVries, Director, Treasurer

[Signature]

Melinda Gantner, Director, Secretary

[Signature]

Brooks Cameron, Director, Director At Large

EXECUTED this 5 day of April, 2023

APPROVED: SOUTH PROPERTY OWNERS ASSOCIATION, An Arizona corporation.

[Signature]

(Signature)

LAWRENCE C GANTNER (Printed Name), Director, President

This instrument was acknowledged before me this 5 day of April, 2023

By LAWRENCE C GANTNER (Printed Name), President of South Rim Property Owners Association.

My Commission Expires: 11/11/2024

[Signature]  
Notary Public

