

**Villa Monterey Unit One Improvement Association**

**Bylaws**

**Amended April 6, 2021**

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## **ARTICLE I: NAME**

The name of the Corporation shall be **Villa Monterey Unit One Improvement Association**, and its office and principal place of business shall be at Villa Monterey Unit One, a subdivision located in Scottsdale, Maricopa County, Arizona, but such other offices may be established and maintained within Maricopa County, State of Arizona, at such places as the Board of Directors may designate.

## **ARTICLE II: MEMBERSHIP AND OCCUPANT QUALIFICATIONS**

### ***SECTION 1. MEMBERSHIP***

The membership of the association shall consist of the homeowners of Villa Monterey Unit One as provided in the amended Declaration of Restrictions for Villa Monterey Unit One first recorded March 13, 1961, in Docket 3619, Page 459, in the Office of the Maricopa County Recorder.

### ***SECTION 2. OCCUPANT QUALIFICATIONS***

1. Prospective occupants must meet the age qualifications for this senior residential community, which was built in 1961 as the Villa Monterey Unit One subdivision, with the specific intent of providing homes and facilities for senior residents.
2. One resident owner, renter, or occupant in at least 80% of the households shall be fifty-five (55) years of age or older. The remaining 20% of occupancy is left available to those who may inherit property in Villa Monterey. Other residents whether owners, renters, or occupants must be at least eighteen (18) years of age. All prospective occupants must provide proof of age that bears a photograph to confirm that the occupants meet the condominium's age restrictions.
3. Persons not meeting these qualifications shall be limited to visits of ninety (90) days duration unless receiving specific exemption from a majority of the Board of Directors and are not eligible for permanent occupancy.
4. The Board of Directors shall be given notice in writing of any intended sale, transfer, conveyance, lease, or sublease, together with a purchase or lessee form prescribed by the Board and completed by the proposed buyer, transferee, occupant, or lessee within the timeframe designated by the Board.
5. All prospective owners and occupants are required to sign a statement that they have read the Bylaws and the Covenants and Restrictions of the Association and that they agree to abide by them.
6. It is the specific intent of this senior residential community to comply with the provisions of all laws pertaining to the authorization of this housing for senior residents.
7. The Association may request that occupants attend an orientation meeting to familiarize them with the governing documents. This is not a requirement for occupancy or ownership.

## **ARTICLE III: MEETINGS**

### ***SECTION 1. ANNUAL MEETING***

The annual meeting of the homeowners shall be held in Scottsdale, Arizona, on the third Sunday in March at a location and on a date determined by the Board of Directors. The annual and all special meetings of the homeowners shall be at such place in Scottsdale, Arizona, as may be designated by the Board of Directors in conformity with the Articles of Declaration, these bylaws, and the Statutes of the State of Arizona applicable thereto. Notice to homeowners of annual and of all special meetings will be in conformity with Article III, Section 4, below. If necessary, the Board may designate an alternate date and/or location for the annual meeting.

## ***SECTION 2. QUORUM***

The presence of twenty-five (25) qualified homeowners present in person or by duly filed absentee ballot shall constitute a quorum at any special meeting and the annual meeting of the homeowners unless otherwise required by the laws of the State of Arizona. If such quorum is not present, the homeowners present in person shall have the power to adjourn, without notice other than the announcement at the meeting, until the requisite number for a quorum shall be present.

## ***SECTION 3. SPECIAL MEETINGS***

Special meetings of the homeowners for any purpose(s), unless otherwise prescribed by statute, may be called by the President of the Association, and must be called by the President and Executive Secretary at the request in writing of a majority of the Board of Directors or by 25% of the qualified homeowners. Such request shall state the purpose(s) of the proposed meeting, and the business transacted at such special meeting shall be confined to the purpose(s) so stated in the call for said meeting.

## ***SECTION 4. HOMEOWNER NOTICE OF ANNUAL MEETINGS***

A written notice, together with a ballot if appropriate, of the annual meeting or of any special meeting of the homeowners stating the time, location, and purpose of the meeting thereof shall be delivered to the residence occupied by owners within Villa Monterey Unit One or mailed, together with an absentee ballot if appropriate, to any homeowner who will not be in the City of Scottsdale on the date of said meeting, and who has filed a forwarding address with the Executive Secretary of the Association, accompanied by a request in writing that any such notice of called meetings be mailed to said absentee homeowner before such meeting. Such notice must be so delivered or mailed, as the case may be, at least thirty (30) days prior to the date of specified meeting. Any homeowner, as called for under this section, may waive notice by giving written notice of said waiver to the Executive Secretary. All absentee ballots mailed to qualified homeowners under the requirements of this section shall be accompanied by all the then known written motions, resolutions, nominations, or other proposals to be considered at said meeting. Failure to foresee nominations or proposals, which may come before the meeting during its conduct, shall not preclude their introduction on the floor.

## ***SECTION 5. VOTER QUALIFICATION***

Votes in annual and special homeowner meetings may be cast either in person by a qualified homeowner or by the absentee ballot of a qualified homeowner as long as the qualifications in subsections (1) and (2) of this Section are met.

The vote of a homeowner, whether cast in person or by absentee ballot, shall not be counted if:

1. **Filing Date:** The absentee ballot is not on file with the Executive Secretary on the date of the meeting or the date to which the meeting may have been adjourned.
2. **Record Owners Delinquent or in Default:** The record owner or record owners of the home is/are delinquent in payment of the assessments levied against that home by the Association present to the Declaration of Restrictions and Amendments thereto incorporated herein or shall be in default of compliance with any requirement in said Declaration of Restrictions and Amendments thereto incorporated herein.
3. **The Ballot Envelope** is not signed pursuant to A.R.S. § 33-1250.

## ***SECTION 6. CUMULATIVE VOTING***

At any meeting of the homeowners in which Directors of the Association are to be elected, each homeowner eligible to vote shall have as many votes as the number of open positions for Director to be filled. The homeowners may distribute those votes among candidates or abstain from voting for any candidate, but in no case may the homeowner cast more than one vote for any one candidate.

## ***SECTION 7. SECRET BALLOTS***

Votes cast at annual meetings of the membership whether by absentee ballot or in person shall be by secret ballot pursuant to Arizona Law.

## **ARTICLE IV: OFFICERS, DIRECTORS, AND BOARD MEETINGS**

### ***SECTION 1. DIRECTORS (NUMBER, QUALIFICATIONS, VACANCIES)***

A Board of Directors consisting of seven (7) members shall conduct the business of the Association, and each member must be in compliance with the provisions of Article III, Section 5, Sub-section (2) above. A vacancy shall exist when a Director is not present three consecutive times for a board meeting at the time and place for which the meeting is initially called without a legitimate excuse approved by a majority of the other Board Members. If a vacancy on the Board occurs due to absenteeism, resignation, illness, death, or otherwise, and if this vacancy causes the number of Directors to fall below seven (7), a replacement shall be appointed by the Board of Directors to serve out the balance of the term of office so vacated. Any Director who ceases to be an official member of the Board shall also automatically vacate any elected or appointed office held in the Association.

### ***SECTION 2. BOARD OF DIRECTORS MEETINGS***

1. **Official Notice of Meetings:** Notice of meetings of the Association Board of Directors will be given to unit owners using the Association's website ([www.villamontereyone.org](http://www.villamontereyone.org)) and the bulletin board in the park. It is the responsibility of unit owners to check those locations regularly. Unit owners unable to check either location must notify the Executive Secretary in writing and provide an alternate method for notification.
2. **Regular Meetings:** Regular Board meetings, other than the annual meeting, may be held at such time and place as shall be determined by a majority of the Directors. Notice of regular meetings of the Board shall be given to each Director personally by mail, telephone, fax, or email at least 48 hours prior to the day designated for such meeting. An agenda will be provided to all attendees attending regular meetings.
3. **Special Meetings:** Special meetings of the Board may be called by the President on 48 hours' notice to each Director given personally by mail, telephone, fax, or email and notice shall be given to owners stating the time, place, and purpose of said meeting. Special meetings of the Board also shall be called by the Executive Secretary in like manner and on like notice to be given by the Executive Secretary upon receipt of written request for such special meeting from at least four (4) Directors filed with the Executive Secretary. An agenda will be provided to all attendees attending special meetings.
4. **Waiver of Notice:** Before or at any meeting of the Board, any Director may waive notice of said meeting in writing and such waiver shall be equivalent to giving such notice. If all Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at said meeting.

5. **Quorum:** At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of a majority of the Directors present at a meeting in which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board there be less than quorum present, the majority of those present may adjourn the meeting. At the resumption of any such adjourned meeting, and at which a quorum is then present, any business that might have been transacted at the adjourned meeting as originally called may be transacted without giving further notice.

### ***SECTION 3. TERM OF DIRECTORS***

At each annual meeting of the homeowners, the homeowners shall elect Directors for a term of three (3) years to fill the vacancies created by the expiring terms of current Directors. An elected or appointed Director may serve only three (3) consecutive full or partial terms. A homeowner may again be elected or appointed to fill a vacancy as a Director at any time after one year following the expiration of his or her third consecutive term.

### ***SECTION 4. ELECTION OF OFFICERS***

Immediately after the adjournment of the annual meeting of the homeowners of Villa Monterey Unit One Improvement Association, the Board of Directors of the Association shall hold its first meeting of the new term at the place of holding the annual meeting of the homeowners, at which said meeting the Board of Directors shall elect two (2) Board members to the offices of President of the Board and Vice President of the Board. Each such elected officer of the Board shall hold office for a term of one (1) year, and the officers so elected shall hold office until their respective successor(s) shall have been qualified and duly elected. Any officer ceasing to be a Director, for any reason whatever, shall automatically cease to hold any office of the Association to which he or she may have been elected or appointed. No person may hold two offices concurrently. At this annual meeting, the Board also shall appoint or reappoint persons to the positions of Executive Secretary and of Treasurer of the Board, such appointments to run for a term solely at the discretion of the majority of Board members. The Board may choose this appointee from its own ranks or from outside the Board membership at its discretion, and the so appointed Executive Secretary and the Treasurer are not required to be homeowners in Villa Monterey Unit One Improvement Association or a resident of the subdivision.

### ***SECTION 5. REMOVAL OF DIRECTORS, OFFICERS, AND APPOINTEES***

1. Any **Director** of the Association may be removed from the Board by a majority vote of the qualified homeowners at a meeting for which notice thereof has been given in conformity with these bylaws for special and annual meetings. For the purpose of a special meeting for director removal, a quorum shall be as defined in A.R.S. § 33-1243.
2. Any **Officer** of the Association, by a vote five (5) Directors, may be removed from office at a meeting of the Directors for which notice thereof has been duly given for a special or regular Board meeting in conformity with these bylaws.
3. Any **Appointee** of the Board of Directors, by a vote of five (5) Directors, may be discharged from his or her appointed position at a meeting of the Directors for which notice thereof has been duly given for a special or regular Board meeting in conformity with these bylaws.

## ***SECTION 6. DUTIES OF THE PRESIDENT***

The President shall be the Chief Executive Officer of the Association and shall be responsible for the general management of the affairs of the Association. Specifically, the President shall preside at all meetings of the homeowners and the Board of Directors, and in all instances where, and to the extent that, the duties of the other officers and appointees of the Association are not specifically prescribed by the bylaws or the rules and regulations of the Board of Directors, the President may prescribe such duties as are necessary for the proper management and conduct of the affairs of the Association. The President shall have and may exercise any and all powers and may perform any and all duties pertaining to the Office of President or conferred or imposed upon the Office of President by the Declaration of Restrictions and Amendments thereto, by the bylaws of the Association, by the Board of Directors, or by the laws of the State of Arizona.

## ***SECTION 7. DUTIES OF THE VICE PRESIDENT***

The Vice President, in the absence of or the incapacity of the President, shall perform the duties and exercise the powers of the Office of President until the return of the duly elected President to active participation as Chief Executive Officer of the Association. The Vice President also shall perform such other duties as may be prescribed by the Board of Directors for the Office of Vice President.

## ***SECTION 8. DUTIES OF THE EXECUTIVE SECRETARY***

In the capacity as Secretary of the Association, the Executive Secretary shall attend all sessions of the Board of Directors and all meetings of the homeowners and act as Recording Secretary thereof to record all votes cast in any election and the minutes of all proceedings in a book to be kept exclusively for that purpose; and shall cause to be given notice of all special and annual meetings of homeowners and Directors; and shall keep in safe custody the Seal of the Corporation and, when authorized by the Board of Directors, affix it as required to any instrument. In addition, the Executive Secretary (and/or Real Estate Liaison) shall process all applications for change in ownership or occupancy and provide the necessary information to lending agencies. The Executive Secretary will maintain and distribute the Association's directory. The Executive Secretary will conduct the occupancy survey required by HUD every two years.

## ***SECTION 9. DUTIES OF THE TREASURER***

In the capacity as Treasurer of the Association, the Treasurer shall have the custody of all the corporate funds, securities, and pertinent records pertaining to same; and shall keep full and accurate accounts of all receipts and disbursements in books belonging to the Association; and shall deposit all moneys and other valuable effects of the Association in the name of and to the credit of the Association in such depositories as may be designated by the Board of Directors; and shall disburse the funds of the Association as may be ordered by the Board or required for the normal operations and obligations of the Association taking proper vouchers for such disbursements; and shall render to the President and Directors of the Board at regular meetings of the Board, or whenever a majority may require it, an account of all the transactions as Treasurer and of the financial condition of the Association; and shall prepare and present to the homeowners at the annual meeting of homeowners an account of all transactions as Treasurer for the year just ending and of the financial condition of the Association as of the meeting date. The treasurer shall order an annual audit as prescribed by Arizona Law, and prepare (or order prepared) all state and federal tax returns, and file appropriate information with the Arizona Corporation Commission as required.

## ***SECTION 10. OTHER APPOINTEES OR AGENTS***

The Board of Directors shall have the power and authority to appoint such other appointees or agents, who need not be homeowners in Villa Monterey Unit One or residents of same, to accomplish more expeditiously and efficiently the functions of the Association. Those so appointed shall hold their appointments at the will and discretion of the Board of Directors.

## ***SECTION 11. COMPENSATION***

All elected Directors and Officers of the Association shall serve without pay or compensation other than for legitimate expenses incurred in the conduct of duties in the service of the Association unless otherwise voted upon by the Board of Directors and duly ratified by the homeowners at an annual or special meeting. Persons appointed by the Board of Directors, to act in some responsible capacity for the Association, may be compensated for their duties by an amount determined and approved by a majority of the Board.

## ***SECTION 12. NOMINATING COMMITTEE***

1. The President of the Association shall appoint a nominating committee at least sixty (60) days prior to the established date of the annual meeting. The nominating committee shall make nominations for Directors to be elected at the annual meeting of homeowners. The report of said committee shall be written and filed with the Executive Secretary early enough to have said nominating committee report included with the notice of the annual meeting sent to homeowners as required by these bylaws.
2. Qualified homeowners may make additional nominations in writing to the Executive Secretary at least forty (40) days prior to the annual meeting. Candidates nominated in this manner must be sponsored by a total of six (6) qualified homeowners, including the proposing homeowner. The candidate may propose or co-sponsor his own candidacy.

## ***ARTICLE V: GENERAL PROVISIONS***

### ***SECTION 1. ASSOCIATION STATUS***

Villa Monterey Unit One Improvement Association is a non-profit Association and is organized as such under the laws of the State of Arizona. No part of any earnings or assets shall inure to the benefit of any homeowner(s) or to any other person(s).

### ***SECTION 2. OFFICIAL DEPOSITORIES OF FUNDS***

The moneys of the Association shall be deposited in banks, credit unions, trust companies, or savings and loan associations in which said accounts are federally insured up to \$250,000 per account by the appropriate federal licensing and insuring agency. The Board shall have exclusive authority to designate any and all such depositories that are used for deposit of funds of the Association. Funds shall be withdrawn only by check or other proper withdrawal voucher signed (or co-signed if directed by the Board of Directors) by such persons as are designated by resolution of the Board of Directors.

### ***SECTION 3. FISCAL YEAR***

The fiscal year of the Association shall commence on January 1 and terminate on December 31 of each year.

### ***SECTION 4. ASSESSMENTS PAID IN ADVANCE***

In conformity with the Declaration of Restrictions and Amendments thereto, heretofore incorporated herein, upon the sale or transfer of any home in Villa Monterey Unit One, assessments levied against that home and paid for in advance shall not be refundable, and it shall be the obligation of the transferor of such home to prorate such impounded fund with the transferee.

## **SECTION 5. CORPORATE SEAL**

The Seal of the Association shall consist of two concentric circles between which shall be the name of the Association, and in the center shall be inscribed the year of its incorporation and the words: "Corporate Seal," Arizona.

## **ARTICLE VI: RULES OF ORDER**

All proceedings of the Association at any annual, regular, or special meetings shall be conducted pursuant to Robert's Rules of Order except as may be herein provided otherwise.

## **ARTICLE VII: RESTRICTIONS ON POWERS**

The Association and any of its officers, directors, agents, or appointees acting on behalf of the Association shall not, as an Association:

1. Advocate the election or defeat of any candidate for public office at any level of government.
2. Participate or intervene directly or indirectly in any political campaign.
3. Advocate the adoption or rejection of any legislation, save incidentally, if such legislation may affect its overall purposes.
4. Discriminate in its activities among individuals, organizations, institutions, firms, associations, or corporations on the basis of race, religion, gender, or region or country of national origin.
5. Encourage, support, nor aid in any way individuals, organizations, institutions, firms, associations, or corporations that do discriminate in their activities on the basis of race, religion, gender, or region or country of national origin.

## **ARTICLE VIII: MEMBER COMMUNICATIONS**

Complaints, criticisms, grievances, compliments, questions, and suggestions from members must be submitted in writing (signed by the submitting member) or online at [www.villamontereyone.org](http://www.villamontereyone.org) to the Grievance Committee of the Board of Directors. Each written communication received will receive the prompt attention of the committee.

## **ARTICLE IX: AMENDMENT PROCEDURE**

1. These bylaws may be amended by a majority vote of the Board members at any meeting of the Board of Directors provided homeowners have been notified of the date and purpose of said meeting at least seven (7) days prior to such meeting.
2. The Association will promptly deliver the amended bylaws as approved by the Board of Directors to members by posting on [www.villamontereyone.org](http://www.villamontereyone.org); members may also request a printed copy of the amended bylaws.
3. The Board of Directors shall consider the amended bylaws to be valid and enforceable upon delivery to the Association members unless at the next annual or special meetings of the homeowners by the vote of a simple majority of those voting in person or by absentee ballot, the homeowners reject the amended bylaws as changed by the Board of Directors. Should the amended bylaws be so rejected, then the bylaws in effect before the amended bylaws so rejected shall be in force.