

**REVISED BYLAWS
OF
LEISURE VALLEY HOMEOWNERS, INC.
Effective 01.01.19**

**ARTICLE 1
NAME AND OFFICE**

Leisure Valley Homeowners, Inc. (Here after referred to as LVR) is solely self-directed and run by Volunteers. Any, and all decisions pertaining to LVR are made in the best interests for the community.

Section 1: *Name:* The corporation shall be known as Leisure Valley Homeowners, Incorporated.

Section 2: *Office:* The principal office of the corporation in the State of Texas shall be located at Leisure Valley Ranch, 1920 East Bogey Drive, Mission, Hidalgo County, Texas 78572.

**ARTICLE II
MEMBERS**

Section 1: *Class of Members:* A member or owner, as referred to throughout these bylaws, is one in the same. The corporation shall have one class of Owners. An Owner is a person defined as the current owner(s) of a lot within LVR. Individual ownership can be validated by:

- a) the name(s) appearing as Lot Owner(s) on the Hidalgo County Tax Assessor website (<https://hidalgotx.search.kofile.com/48215/Home/Index/1>), with a maximum of two Owners per lot.
- b) Proof of Warranty Deed, Trust, or Tax Statement will verify ownership
- c) Any single lot cannot have more than two owners attached to it.

A Member of any lot held in Trust will be defined as the names of the Trustee(s) shown on the Assessor's website with a maximum of two Members per trust. A Member of a lot owned by a Corporation will be the President or the Secretary named in the current filings of the Corporation. Any Member is entitled to one and only one vote in any business matter or election of officers and directors regardless of how many lots they own.

Section 2: *Termination of Membership While Lot Owner:* While a Member is a lot owner, such Member cannot resign nor have the Membership terminated,

Section 3: *Transfer of Membership:* Membership in this corporation is not transferable or assignable.

Section 4: *Membership List.* A listing of validated Owners, shall constitute the Membership List of the LVR Subdivision Association and will be maintained by the Secretary or their Designate. It is the responsibility of the Lot Owner to provide validation (as mentioned in Section 1) of their ownership.

ARTICLE III **MEETINGS**

Section 1: *Types of Meetings.* In addition to Board meetings there are three types of meetings that Association can conduct:

- a. Business Meeting – These meetings are designed to conduct Association business. A Business meeting requires that all the procedures set forth in the RR&P’s for the conduct of a meeting where voting or Association business is to be conducted will be followed. This includes at a minimum the signing in at the credentials desk of all certified owners and validation that there is a quorum prior to any business or voting being conducted
- b. Townhall Meeting. – These meetings are designed as informational and provide a forum for community interaction and information flow. A meeting originally designated as a Business meeting will “turn into” a Townhall if there is not a quorum of certified owners present.
- c. Special Meeting. There maybe an occasion where the Association must conduct business or a vote that is outside the normal scheduled meetings. The Board can call a Special Meeting for conducting business, but the meeting must conform to all the procedures set forth in the RR&P’s for the conduct of a meeting where business is to be conducted.

Section 2: *Annual Meetings:* The Annual Meeting of Owners is a business meeting and requires adherence to all the rules and procedures set forth in the RR&P's for this type of meeting. The Annual Meeting of Owners shall be held the second Thursday of January in the recreation hall at 1920 East Bogey Drive, Mission TX 78572, for an election of Officers and Directors, and for the transaction of such other business as may come before the meeting. The annual report shall be available at this meeting. Roberts Rules of Order will be used at all meetings.

Section 3: *Monthly Meetings of Owners:* Monthly meetings will be held the first Thursday of each month beginning in November and continuing through March. These meetings will be designated as a Business Meeting. All Meetings are at the principal office. No further notification of these meetings shall be necessary. Motions made and seconded may be postponed until the next meeting for voting if designated by the president. If the president does not delay the voting, then the Owners may make a motion to do so, and if seconded and carried, the vote will take place at the next meeting. An agenda will be posted for the next meeting a minimum of three days before the meeting. Roberts Rules of Order will be used at all meetings.

Section 4: *Board Meetings:*

a. Board meetings shall be held the last Thursday of the month before the Owners' Monthly Meetings and the Thursday before the Annual Meeting. All meetings will be in the principal office. No further notice of these meetings shall be necessary. The president and two board Members may call an emergency meeting as needed. Emergency meetings, when scheduled, will not be postponed. All Board meetings shall be open to Owners unless the Board adjourns into executive session to discuss matters of personnel or any other reason permitted in the Texas Home Owners Association Law or the Texas Non-Profit Corporation Act. The Board may restrict or prohibit comments from non-board Owners. Roberts Rules will be used at all meetings.

b. Subject to the provisions required or permitted by the Texas Non-Profit Corporation Act for notice of meetings, Owners of the corporation or the Board of Directors may participate in and hold a meeting of such Owners, board, or committee using:

(1) Conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other, only if:

- (a) each Owner entitled to participate in the meeting consents to the meeting held using that system; and
- (b) the system provides access to the meeting using, a method by which each Owner participating in the meeting can communicate concurrently with each other participant.

Participation in a meeting under this section shall constitute presence in person at such meeting.

Section 5: *Quorum.*

(a) A quorum for Owners' meetings shall be 20% of eligible voters plus a majority of the board.

(b) A quorum for board meetings shall be a majority of the Board Members.

ARTICLE IV
VOTING

Section 1: *Election of Officers and Board of Directors:* Owners will elect the President, Secretary and one Director at meetings of odd years and Vice-President, Treasurer and two Directors at meetings of even years. These Officers and Board Members will be elected from a list posted two weeks before the election. Nominations may be made up to two weeks before the election at which time no further nominations will be accepted. The Nominating Committee will be appointed at the prior annual meeting.

Section 2: *Voting Authority.* In 2015, the Texas Legislature Enacted Senate Bills 864 and 1168 which in effect allow a Subdivision Association to use secret ballots in lieu of a written signed ballot. The law still requires all votes cast by a Subdivision Association's Lot Owners to be cast by a signed written ballot unless the vote is cast by secret ballot pursuant to the rules adopted by the Subdivision Association that are designed to reasonably ensure that:

1. A Lot Owner cannot cast more votes than the Lot Owner is eligible to cast in an election or vote;
2. The Subdivision Association counts each vote cast by a Lot Owner that the Lot Owner is eligible to cast.

3. In the event of an election for the Board each candidate in the election may choose to designate a person to observe the counting of the ballots.

Accordingly, under the law all votes cast by a Lot Owner would have to be cast either by signed written ballot or by secret ballot that conforms to the statutorily required rules adopted by the Subdivision Association

Section 3: *Voting Provisions:*

- a) Any Member/Owner as defined in Article II will be eligible to vote once they have registered a “Leisure Valley Certificate of Ownership” with the Subdivision Association. This certification process is used to validate that the person voting is a legal owner of a lot within LVR and is eligible to cast a maximum of one vote regardless of the number of lots owned. (See Voting Certification process in “The LVR Roles, Rules and Procedures document.”)
- b) A *certified owner* is entitled to cast one vote for each Officer and one vote for each of the number of Directors to be elected. Absentee ballots will be accepted when received prior to the beginning of the election meeting. No mailings will be required. Absentee ballots will be available upon request.
- c) Only *certified owners* may vote. Each certified owner will have one vote whether they own one or a multiple number of lots.
- d) A *certified Owner* may vote in person, by absentee ballot, or by proxy executed in writing by the certified owner or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for more than eleven (11) months. Proxies must be received by the start of any meeting before becoming effective for any date of said meeting or following meetings.

ARTICLE V
OFFICERS AND DIRECTORS

Section 1: *Owners May Elect Officers and Directors:* To the extent not limited or prohibited by law, the powers of the corporation shall be exercised by and the business and affairs of the corporation shall be managed. Officers and Directors will make day to day decisions. Each Officer and each Director must reside in the subdivision at least four months of each year.

Section 2: *Board Members:* Owners shall elect Officers with appropriate titles such as President, Vice-President, Secretary, and Treasurer, as well as the Directors. All Officers and Directors are referred to as Board Members. The number of Directors shall be decided by the Owners, and the number may be increased or decreased from time to time by an amendment to the Bylaws. The terms of Officers and Directors shall be two years and limited to two consecutive terms per person. Any board member who served 4 consecutive years must wait one year before they can be re-nominated.

Section 3: *Removal:* Any Officer or Director may be removed from office with or without cause by the Owners: Removal shall be by majority voting for removal at a regularly scheduled meeting of the Owners.

Section 4. *Resignation.* An Officer or Director may resign by providing a written notice of such resignation to the Board. The resignation shall be effective upon the date of receipt of the notice of resignation or the date specified in such notice. Acceptance of the resignation shall not be required to make the resignation effective.

Section 5: *Vacancies and Increase in Number of Board Members:* Any Officer vacancy shall be filled by the affirmative vote of a majority of the Board Members for the unexpired term of the vacating Officer. The vacancy will be filled by a Board Member. Any Director vacancy shall be filled by appointment by the Board Members. The appointee will serve until the next regular election or expiration of term.

Section 6: *Compensation.* Board Members, as such, shall not receive any stated salary for their services. Compensation may be allowed for their expenses incurred in the performance of their duties.

ARTICLE VI **POWERS OF OFFICERS AND DIRECTORS**

Section 1: *Directors:* The Directors, shall be knowledgeable about LVR governing documents. The Directors shall oversee, set Policy and Operating guidelines for LVR and its Officers. The Directors shall ensure that the LVR Officers comply with all applicable Federal, State and Local laws as well as the policies and guidelines set forth in the Bylaws. The Board shall have all powers and duties necessary for the management and administration of the affairs of the

Association and may do all acts and things as are not prohibited by the Association Documents to ensure the protection, maintenance and ongoing operations of the Association. The LVR Board of Directors may write, or cause to be in effect, specific rules or policies that shall be referred to as LVR Roles, Rules and Procedures; a current set will be kept on file with LVR records and with the LVR Secretary. In the event of a conflict between the Roles, Rules and Procedures and the LVR Bylaws the Bylaws shall prevail.

Section 2: *President:* The President shall be the chief executive Officer of LVR and shall preside at all meetings of the Board of Directors and all Owner meetings and town halls. The President shall sign, with the Secretary or Treasurer any deeds, mortgages, contracts or other instruments that the Board of Directors have authorized. “

Section 3: *Vice-President:* The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors shall prescribe.

Section 4: *Secretary:* The Secretary should attend all meetings of the Board of Directors and all meetings of the Members and shall record all votes and the minutes of all proceedings. The Secretary shall give notice of all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors. The secretary shall keep a list of all Members. In the absence of the Secretary, the minutes of all meetings of the board and Members shall be recorded by such person as shall be designated by the Board of Directors. and shall perform such other duties as the Board of Directors shall prescribe.

Section 5: *Treasurer:*

- a. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation. The Treasurer shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors.

- b. A budget will be produced annually

- c. An annual review and examination of the financial records shall be performed, by our Audit Committee. There is no Texas Law requiring a subdivision association to perform an audit of its financial records. The Board of Directors shall appoint a committee comprised of three vote-eligible Members. This committee shall examine the books and file a statement with the Board of Directors, to be read at the next monthly meeting.

ARTICLE VII

DUTIES OF THE BOARD OF DIRECTORS

Section 1: *Purchasing:* By a majority decision, the board may declare payment for any maintenance, repairs or needs of the corporation. In an emergency situation, a board member may authorize needed repairs. Additional equipment, improvements or structures will be decided by the Board Members, when the board deems such for the betterment of the corporation. These decisions for spending will be only when the treasurer verifies funds available. Non-Budgeted expenditures that exceed \$200.00 and less than \$1000.00 require approval of the majority of the board. Two bids will be required for projects from \$1,000.00 to \$7,000.00. Over \$7,000.00, projects will require three bids. The best bid, if it is in the budget, may be accepted. If bids are not accepted, then the project will be revised and rebid.

Section 2: *Contracts:* The Board of Directors may authorize any Officer(s), to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation.

Section 3: *Checks, Drafts, etc:* All checks, drafts or other instruments for the payment of money shall be signed by the Treasurer and one other Officer as determined by the Board of Directors.

Section 4: *Deposits:* All funds of the corporation shall be deposited to the credit of the corporation in such banks or other depositories as the Board of Directors may select.

Section 5: *Gifts:* The Board of Directors may accept on behalf of the corporation, any contribution for the general or special purpose of the corporation.

Section 6: *Books and Records:* The corporation shall keep correct and complete books and records of account. Minutes of the proceedings of the monthly and annual meetings, Board of Directors meetings, and shall be kept at the principal office. A record of the names and addresses of its owners entitled to vote, will be kept in the principal office. An owner, on written demand, has the right to examine and copy, in person or by agent, accountant, or attorney, at a reasonable time, the books and records of the corporation at the expense of the Owner.

Section 7: *Financial Records and Annual Reports:* The corporation shall maintain current true and accurate financial records with full and correct entries, following generally accepted accounting principles. All records and books concerning the financial activity of the corporation shall be kept at the principal office. After the closing of each fiscal year, as per federal and state laws the records shall be available to the public for inspection and copying during business hours. The corporation may charge for the reasonable expense of preparing a copy of a record or report.

Section 8: *Fiscal Year:* The fiscal year of the corporation is January 1st through December 31.

ARTICLE VIII **COMMITTEES**

Section 1: Texas HOA regulations allows for two types of committees, a Management Committee and a Non-Management Committee. The LVR Board is authorized to designate either type of committee if it is adopted by resolution, by a majority of Directors in office. The committee will be designated either a Management Committee or a Non-management committee and based upon the designation meet the requirements as set forth in Texas HOA law and the stipulations in the following sections:

Section 2: *Management Committee:* Any Management committee established will comply with all aspects of Texas HOA.

Section 3: *Non – Management Committees:* These committees consist of all other committees established by the LVR Board that have not been delegated the power to exercise some authority on their behalf in the management of the Association. The members of a non-management committee maybe currently serving

Director(s), but that is not required. A non-management committee may be adopted by:

- (a) A resolution passed by the majority of the Board or
- (b) By the President of LVR unilaterally

Section 4: *Activities Committee:* The LVR Board of Directors will establish an Activities Committee. The Activities committee will be chaired by the Activities Coordinator. The Coordinator will be approved by the board. A standing member of the committee will be the LVR Treasurer, plus a maximum of seven (7) standing members. The members must be lot owners. The Activities Coordinator will be responsible for organizing, managing and providing oversight for the Activities Committee as set forth in the LVR Roles and Procedures document. The Activities Committee is authorized to approve proposals and expend up to \$1000, from the Activity Account, without further Board approval. Proposals which exceed a cost of \$1,000. must be recommended by the Committee to the LVR Board for final approval.

ARTICLE IX **CONDUCT**

Section 1: *Property Upkeep:* Lots will be kept up year-round, which includes weeded, mowed, and trimmed. Plants may not be near corners that would block drivers' vision. Dead plants must be removed. All structures on the property will be kept up, painted, cleaned, and uncluttered. Those not adhering will be charged a fee each time upkeep is performed. The expense will be charged when necessary.

Section 2: *Property of Corporation:* Upon the ownership of common property, additional Bylaws may be added. An annual inventory of corporate property will be conducted by Board Members, and volunteers. Removal of any or all corporate property from the Recreation Hall or any other location is strictly prohibited.

Section 3: *Alcoholic Beverages:* Neither the Leisure Valley Ranch Association or any of its representatives, will purchase alcoholic beverages using Association Funds.

Section 4: *Pets:* No more than two pets are allowed per site.

Section 5: *Mail:* Mail is delivered and sorted by the Mission Post Office. Curbside mailboxes are mandatory for all residents. All occupied lots must display a street address to enable emergency response.

Section 6: *Liability:* Corporation and its management are not responsible for accidents sustained while using any Leisure Valley facilities or while on said property. Use of facilities is at your own risk. Leisure Valley is not responsible for any loss due to fire, accident or theft.

Section 7: *Residential Sub Division, Commercial Use by Property Owner.* Property owners will have no visible businesses, no commercial signs, and no commercial vehicles over 1-ton capacity

Section 8: *Martin Valley Ranch.* Martin Valley Ranch Rules and Regulations will supersede all of ARTICLE IX.

ARTICLE X **DISPUTES**

When a dispute arises that seemingly cannot be resolved, it shall be decided by the Board. This is for disputes between any Owners, Activities Directors, Chairpersons, Officers or Board Members.

ARTICLE XI **INDEMNIFICATION AND INSURANCE**

Section 1: *Indemnification:* This corporation shall have the full power to indemnify and advance expenses according to the provisions of the Texas Non-Profit to any person entitled to indemnification under the provisions of the Texas Non-Profit Corporation Act.

Section 2: *Insurance:* The corporation may purchase and maintain insurance or another arrangement on behalf of any person who is a Member, Director, Officer, employee, or agent of the corporation against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person, whether or not the corporation would have the power to indemnify him or her against that liability. This paragraph shall not limit the power of the corporation to procure or maintain any insurance or other

arrangements; the corporation may, for the benefit of person indemnified by the corporation. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or arrangement shall not be voidable and shall not subject the Directors approving the insurance or arrangement of liability, on any ground, regardless of whether Directors participating in the approval are beneficiaries of the insurance or arrangement.

ARTICLE XII **MISCELLANEOUS**

Section 1: *Waiver of Notice:* Whenever any notice is required to be given to any Owner or Director of the corporation under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation, or these Bylaws, 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 equivalent to the giving of such notice.

Section 2: *Seal:* The corporation may adopt a corporate seal in such form as the Board of Directors may determine, but the corporation shall not be required to use the corporate seal and the lack of the corporate seal shall not affect an otherwise valid contract or other instrument executed by the corporation.

ARTICLE XIII **CONSTRUCTION**

Section 1: *Pronouns and Headings:* All personal pronouns used in these Bylaws shall include the other gender whether used in masculine or feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate. All headings herein are for the parties' convenience only, and neither limits nor amplifies the provisions of this Agreement.

Section 2: *Invalid Provisions:* If anyone or more of the provisions of these Bylaws, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any such provision shall not be affected thereby.

ARTICLE XIV
AMENDMENT OF BYLAWS

The Texas Non-Profit Corporation Laws state that the amendment of a Texas Non-Profit Corporation (HOA) is governed by the procedures set forth in those bylaws. The Board of Directors of the HOA can amend their bylaws at any time with the approval of the HOA owners.

Section 1: *Committee appointed by the Board of Directors*

The committee shall review the bylaws as directed by the board. Amendments /changes will be provided to all members of the HOA. This will include the bylaws as currently stated with the changes. A special meeting of all HOA owners will be called at least two (2) weeks prior to the general meeting, where the changes are to be voted on. The special meeting will discuss the changes/amendments, the reason for the changes and to answer questions from feedback received. The Secretary shall publish the proposed amendments, with recommended changes, on the club's library bulletin board and on the LVR website within 72 hours of the regular meeting where the proposed amendment(s) will be voted on. The Secretary will also ensure that the amendment vote is on the agenda for the meeting. A sixty (60) percent vote of all owners present or voting by proxy shall be required for the proposed amendment(s)

Section 2: *Proposal by an individual:*

All amendments to the bylaws proposed by an individual shall be in writing, read aloud at a regular meeting of the HOA and laid over for a vote at the next regular meeting. The Secretary shall publish this proposed amendment on the club's library bulletin board within 72 hours of the regular meeting where the proposed amendment will be reread. The Secretary will ensure that the re-reading of the amendment is on the agenda. If re-read and seconded the item will be discussed and voted on. Voting may be tabled for a later date if discussion indicates a need for further research. If/when voted upon 60% of all owners present or voting by proxy shall be required for the proposed amendment(s) adoption.

**ARTICLE XV
CONFLICTING PROVISIONS**

Section 1: *Conflicts:* In the event of a conflict between the provisions of the Texas HOA law (or other Texas State and local laws) and the Leisure Valley Ranch Homeowners documents, the Texas HOA and Texas State and local laws shall prevail; in the event of any conflict between the provisions of any one or more Association Documents, the following order of priority shall prevail and the provisions of the Association Documents having the highest priority shall govern:

- a. Recorded Subdivision Plats
- b. Declaration of Covenants, Stipulations and Restrictions of Leisure Valley Ranch.
- c. LVR Bylaws
- d. LVR Roles, Rules and Procedures.

Adopted by the Board of Directors and approved by a vote of the Owners on _____, _____, to be effective January 1, 2019

David Mohr, President

Karen Clark, Secretary