

BY-LAWS
of the
FLORIDA RIVER ESTATES
HOMEOWNERS' ASSOCIATION, INC.
As revised on April 2, 1996

SECTION 1 The name of this Association is the Florida River Estates Homeowners' Association, Inc., incorporated under the Non-profit Corporation Laws of the State of Colorado on February 8, 1989.

SECTION 2 The object of this Association shall be to own, operate, maintain and improve, on a non-profit basis the Florida River Estates Water Association land, facilities and equipment, a water treatment and distribution facility, dedicated to the supplying of water to the residents of Florida River Estates as described in Attachment 1.

SECTION 3 The area to be covered and encompassed by the activities of this Association shall include all the Florida River Estates property owners, referred to as re-subdivision and second subdivision as accepted by the County Commissioners of the County of La Plata, Colorado, Amended as of June 15, 1976.

SECTION 4 Membership shall be limited to the possessors of a valid Florida River Estates Homeowners Association Certificate of Ownership, see Attachment 2.

Every Member, in good standing, shall be eligible to vote on all matters affecting this Association at the annual or special meetings.

SECTION 5 The Annual Dues of each Member, household or property owner of this Association shall be the full amount of the respective resident's water bill or Tap Fee payable upon receipt of their monthly billing.

- A. Any Member who is thirty (30) days in arrears in payment of their water bill or Tap Fee shall be ineligible to vote at any meeting until all such arrears have been fully paid.
- B. Each member, as an owner of property within Florida River Estates, is entitled to one (1) vote. If title to the property is owned by more than one (1) individual or held in the name of a legal entity, one (1) representative shall be chosen by the ownership group or entity for purposes of casting votes. Each member shall be entitled to only one (1) vote, regardless of whether a member owns more than one (1) lot within Florida River Estates. Members shall not include the holder of any lien or secured interest in property within Florida River Estates, nor any person or entity claiming an easement or right-of-way over or across any property within Florida River Estates.
- C. The Certificate of Ownership (see attachment 2) cannot be sold, transferred, or otherwise traded but must be retained with the specific parcel of property noted on the Certificate of Ownership.

SECTION 6 The Fiscal Year of this Association shall commence on July 1st and end on June 30th.

SECTION 7 An annual meeting for the election of the Directors of this Association shall be on the second Tuesday of June.

- A. Regular meetings of the Association shall be held on the second Tuesday of June and December.
- B. Special meetings shall be called by the President:
 - 1. Whenever the President deems it necessary;
 - 2. When called upon by the Board of Directors;
 - 3. When called upon by a group of Members holding not less than twenty-five (25) percent of the voting power of the Association.
- C. Notice of all meetings shall be in writing and given or mailed to each Member not less than ten (10) or more than twenty (20) calendar days before the date of any such meeting.
- D. All Notices of any special meeting shall state the Purpose of the meeting.
- E. A quorum at all meetings shall consist of at least fifteen (15) Members in good standing. Voting shall be by majority vote cast in person or by proxy. Proxies, to be qualified, shall be in writing signed by the Member and presented to the presiding official of the meeting.

SECTION 8 The affairs and business of this Association shall be managed by a Board of five (5) Directors. The five (5) Directors will elect the four (4) officers (President, Vice-President, Secretary and Treasurer) from among themselves. At the June 1991 annual meeting, five (5) Directors shall be elected - two (2) Directors to serve a one (1) year term and three (3) Directors to serve a two (2) year term. Except for this first election of two (2) Directors for a one (1) year term, Directors terms are set at two (2) years. Thus in 1992, two (2) Directors will be elected for a two (2) year term and in 1993 three (3) Directors will be elected for a two (2) year term and so forth. Vacancies will be filled by appointment by the Board of the unexpired term of a Director. Directors may serve for no more than one (1) term and then must be off the Board for at least one (1) year before being eligible to again be elected or appointed to the Board.

- A. A quorum for voting at Board meetings requires at least three (3) Directors present. This section, if adopted, takes effect immediately upon passage and pertains to all current Board Members. Current Board Members who have served two (2) consecutive years or more are not eligible to be on the Board until the 1992 election.
- B. A regular meeting of the Board of Directors shall be held monthly.
- C. Special meetings of the Board of Directors shall be called by the President when:
 - a. The President deems it necessary.
 - b. A majority of the Board of Directors calls upon the President to do so.

SECTION 9 There shall be four (4) officers of this Association. The officers and their respective duties are as follows:

- A. The President shall:
 - 2.

1. Be the chief executive of the Association and charged with the duty of supervising all of its functions subject to the orders of the Board of Directors.
 2. He shall be, ex officio, a member of all committees.
- B. The Vice-President shall:
1. Chair the membership committee.
 2. Shall have such powers and perform such duties as are or shall be prescribed by the By-Laws, the Board of Directors or the President.
 3. In case of the absence or disability of the President the Vice-President shall perform the duties of the President at any meeting where the presence of the President is required.
 4. Become President of the Association for the unexpired term if the office of the President shall become vacant the Vice-President shall become President of the Association for the unexpired term.
- C. The Secretary shall:
1. Conduct the correspondence of the Association, issue Notices of and keep Minutes of all meetings of the Association, maintain records, keep the roll of all Members.
 2. File all Federal, State and Local Corporation Reports as required.
 3. Discharge such other duties as may be assigned by the Board of Directors or the President.
- D. The Treasurer shall:
1. Collect all fees, have care and custody of all funds and property of this Association which shall be disbursed only by order of the Board of Directors or the President.
 2. Submit a report for the proceeding year at the annual meeting and render special reports whenever requested to do so by the Board of Directors.
 3. Deposit all funds in the name of the Association in such bank or banks as may be designated by the Board of Directors.
 4. Chair the Budget and Ways and Means Committees.
- E. Additional committees may be created by the President or the Board of Directors upon approval of the Board of Directors.

SECTION 10 The Association shall maintain adequate and correct account books of its meetings. Business and properties and said books, records and accounts shall be kept at the place designated by the

Board of Directors.

SECTION 11 All books and records provided for in SECTION 10 shall be open for inspection of the Board of Directors and Members during any regular or special meeting.

SECTION 12 The original or a copy of these By-Laws, as Amended., Certified by the Secretary, shall be open for inspection by Members as provided in SECTION 11.

SECTION 13 Funds are collected and/or disbursed in the following manner:

- A. Any officer of this corporation shall be authorized to endorse checks, drafts or other evidences of indebtedness made payable to the order of this Association but only for the purpose of deposit to the account or accounts of this corporation.
- B. All checks, drafts and other instrument obligating this Association to pay money shall be signed on behalf of this Association by the President or Vice-President and the Treasurer.

SECTION 14 The Board of Directors, except as otherwise provided for in these By-Laws., may authorize any officer or officers, agent or agents to enter into any contact or execute any instrument in the name of and in behalf of the Association Such authority may be general or confined to specific instances authorized by the Board of Directors in writing.

- A. NO officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit, or to render it liable for any purposes or any amount, except as authorized by the Board of Directors.

SECTION 15 The seal of the Association shall be circular and show around its circumference with words "FLORIDA RIVER ESTATES HOMEOWNERS ASSOCIATION, INC."

SECTION 16 The By-Laws of this Association may be amended or revised by the Board of Directors at any time by an affirmative vote of no less than four (4) Directors or by the affirmative vote of at least two-thirds (2/3) of the Members present at the annual meeting or at any regular or special meeting provided that the Notice of any such meeting contains a summary of the proposed Amendment or Amendments.

SECTION 17 The Board of Directors shall issue an annual report or statement to be sent to the Membership of this Association within sixty (60) days after the close of the fiscal year.

SECTION 18 Whenever an amendment or new By-Law is adopted it shall be copied in the book of By-Laws with the original By-Laws in the appropriate place and appropriately annotated by revision letter and date. If any By-Law is repealed, that fact of repeal together with appropriate revision letter and then shall be entered in the book of By-Laws.