

Bylaws

SUNSET RIDGE PROPERTY OWNERS' ASSOCIATION, INC.

(A COLORADO NONPROFIT CORPORATION)

Effective January 13, 2002.

ARTICLE I

OFFICES

1. **Business offices.** The corporation may have one or more offices at such place or places in Grand County, Colorado, as the Board of Directors may from time to time determine.
2. **Registered office.** The registered office of the corporation shall be P. O. Box 416, Tabernash, Colorado 80478

ARTICLE II

PROPERTY OWNERS' MEETINGS

1. **Annual meeting.** The annual meeting of property owners for the election of directors to succeed those whose terms expire and for transaction of such other business as may come before the meeting shall be held each year on the first Saturday in June or at such other time as is fixed each year by the Board of Directors not less than twenty (20) days prior to such meeting.
2. **Special meetings.** Special meetings of property owners for any purpose unless otherwise provided by the Articles of Incorporation by statute, or by the Declaration of Protective Covenants and Restrictions off Sunset Ridge Property Owners' Association, Inc. (current revision) (hereinafter referred to as SRPOA) may be called at any time by the Board of Directors or by the holders of not less than ten percent (10%) of all eligible votes as set forth in the SRPOA Protective Covenants. Business transacted at any special meeting of property owners shall be limited to the purpose or purposes stated in the notice.
3. **Place of meetings.** Meetings of property owners shall be held at such places within Grand County, Colorado as may be designated in the notice of the meeting.
4. **Notice of meetings.** Notice of each meeting of property owners, whether annual or special, shall be given not less than twenty (20) days prior thereto to each property owner entitled to vote there at by delivering written notice thereof to such property owners personally or by depositing the same in the United Sates mail, postage prepaid, directed to the property owner at his/her address as it appears on the records of SRPOA; provided, however, that if other or different notice is required by the Colorado Nonprofit Corporation Code (as in the case of the sale, lease, or exchange of SRPOA's assets, or the merger, consolidation, or dissolution of the corporation), the provisions of the Colorado Nonprofit Corporation Code shall govern. If two successive notices mailed to the last known address of any property owner of record are returned as undeliverable, no further notices to such property owner shall be necessary until another address for such property owner is made known to SRPOA. The notice of all meetings of property owners shall state the place, day, hour and purpose thereof.
5. **Voting record.** At least ten (10) days before every meeting of property owners, a complete record of the property owners entitled to vote thereat, showing the address of each and the number of votes of each, shall be prepared by the officer or agent of SRPOA designated by the Board of Directors. Such record shall be open to inspection by any property owner for any purpose germane to the meeting for a period of at least ten (10) days before, during, and after the meeting at the designated place of the meeting.

6. **Organization.** The president of SRPOA or, in his/her absence, any other director, shall call meetings of property owners to order and act as chairperson of such meetings. In the absence of all Directors of the Board, any property owner entitled to vote, or any proxy of any such property owner, may call the meeting to order and a chairperson shall be elected by a majority of the property owners entitled to vote thereat. In the absence of the secretary of SRPOA, any person appointed by the chairperson shall act as secretary of such meeting.

7. **Agenda and Procedure.** The Board of Directors shall have the responsibility of establishing an agenda for each meeting of the property owners' of SRPOA, subject to the rights of property owners, to raise matters for consideration which may otherwise property be brought before the meeting, although not included within the agenda. The chairperson shall be charged with the orderly conduct of all meetings of property owners; provided, however, that in the event of any difference of opinion with respect to the proper course of action which cannot be resolved by reference to statute, the Articles of Incorporation, or these Bylaws, Roberts Rules of Order (as last revised) shall govern the resolution of such matter.

8. **Quorum.** Except for the quorum provisions of Article VII, Section 6, of SRPOA's Protective Covenants, the holders of a majority of the authorized votes shall, when present in person or represented by proxy, be requisite to and shall constitute a quorum at all meetings. (For "authorized" votes see Article V, Section 2 of SRPOA's Protective Covenants) In the absence of a quorum at any such meeting, a majority of the property owners present in person or represented by proxy and entitled to vote thereat may adjourn the meeting from time to time, for a period not to exceed sixty (60) days for anyone adjournment, without further notice (except as provided in Section 9 of this Article II) until a quorum shall be present or represented.

9. **Adjournment.** When a meeting is for any reason adjourned to another time or place, notice need not be given of the subsequently scheduled meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the subsequent meeting, any business may be transacted which might have been transacted at the original meeting.

10. **Voting.**

a. Each property owner shall at every meeting of the property owners of SRPOA, or with respect to SRPOA action which may be taken without a meeting, be entitled to the number of votes as specified in the SRPOA's Protective Covenants (Article V, Section 2).

b. Each property owner entitled to vote may vote in person or may authorize another person or persons to vote or act for such property owner by proxy executed in writing by such property owner and delivered to the secretary of the meeting (or if there is no meeting, to any director of the Board of Directors), provided that no such proxy shall be voted or acted upon after six (6) months from the date of the proxy.

c. When a quorum is present at any meeting of property owners of SRPOA, the vote of the holders of a majority of the votes, in person or represented by proxy, shall decide any question brought before such meeting. If the question is one concerning a provision of a statute, the Articles of Incorporation of SRPOA, the Protective Covenants of SRPOA or these Bylaws, the question may require more than a majority of such votes.

11. **Inspectors.** The chairperson of the meeting may at any time appoint two (2) or more inspectors to serve at any meeting of property owners to decide upon the qualification of voters. Including the validity of proxies, to accept and count the validated votes for and against the questions presented, and to report the results of such votes on each question.

ARTICLE III

BOARD OF DIRECTORS

1. **Number and Qualifications.** The business and affairs of the SRPOA shall be managed by a Board of Directors. The Board of Directors shall consist of seven (7) persons. Directors must be property owners of SRPOA, have a right to vote in SRPOA, and be in good standing in SRPOA with regard to payment of the maintenance fees and other fees levied by SRPOA.

2. **Election and Tenure.** Directors shall be elected at the annual meeting of the property owners by plurality vote, normally four (4) being elected one year and three (3) the next. The term of each director shall be for a period of two years. A director, elected to fill a vacancy, shall serve for the unexpired term of his/her predecessor. (Refer to Article III, Section 13 and 14)

3. **Annual meetings.** As soon as is practicable after each annual election of directors, the Board of Directors will meet for the purpose of organization, election of officers, and transaction of any other business.

4. **Officers.** Of the seven (7) persons comprising the board, one will be elected president, one vice-president, one secretary and one treasurer, all by plurality vote of the directors present and voting.

5. **Duties of Officers.**

a. **President.** To chair meetings of SRPOA and the board, to carry out board resolutions, to act in the name of SRPOA as directed or permitted by the board in conducting SRPOA's affairs. The president may assign the following duties to other Directors:

1) Conducting correspondence for SRPOA (including notices of meetings, notices of assessments, solicitation of proxies, and newsletters to property owners; reports required by law to the Colorado Secretary of State; notices concerning recording and removal of liens to the County Clerk and Recorder of Grand County and statements to title companies.

2) Keeping records of names and addresses of current property owners of all lots and tracts in Sunset Ridge

3) Assigning other duties as the president specifies.

b. **Vice-president.** To assist and act as the president in his/her absence.

c. **Secretary.** To record and to submit for approval minutes of all meetings of property owners and of the Board of Directors. To collect, count and organize proxies for all meetings of property owners and Board of Directors. To take attendance at all meetings and to certify quorums.

d. **Treasurer.** To establish and maintain for SRPOA a checking account and such other accounts as may, from time to time, be approved by the Board of Directors. To receive and deposit to SRPOA's account(s) such monies as become available from annual and special assessments and from all other sources. To pay all bills rendered to SRPOA and approved by the Board of Directors, including legal fees, taxes, use permits and licenses. To provide adequate funds on voucher as necessary to cover mailing, typing, telephone calls and production expenses. To establish a simple bookkeeping procedure that reconciles income, expenditures, and bank balances, matching expenditures to vouchers and canceled checks. To prepare a yearly financial statement of past income and expenditures and to prepare a budget for the upcoming year. To keep accounts of the status of payments by property owners of maintenance fees, special assessments and other charges; to keep a running account of property owners' debts to SRPOA; to notify the president of names of property owners and their tract or lot numbers against which liens must be filed and to keep a record of tracts and lots upon which liens have been filed. The treasurer, president and any other board members who are authorized to sign checks for SRPOA shall be bonded in such sum as shall be approximately equal to the bank deposits of SRPOA with the bond premium to be paid by SRPOA.

6. **Regular meetings.** Regular meetings of the Board of Directors shall be held at such times and places as maybe determined by the board and specified in the notices of such meetings.

7. **Special meetings.** Special meetings of the Board of Directors may be called by the president and shall be called by the president or secretary at the request of any two (2) directors.

8. **Place of meetings.** Any meeting of the Board of Directors may be held at any place and shall be designated in the notice of the meeting, but normally meetings will be held in Grand County, Colorado.

9. **Notice of Meetings.** Notice of each Board of Directors' meeting shall be given to each director. Whether given by written notice, in person or by telephone, at least one week and preferably two weeks, prior notice of the meeting will be given. The notice shall include the place, date, hour and purpose of the meeting.

10. **Quorum.** A majority of the number of directors serving, at the time of any meeting, shall constitute a quorum of the Board of Directors, and the vote 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. In the absence of a quorum at any meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, other than by announcement at the adjourned meeting, until a quorum is present.

11. **Organization, Agenda.** Procedure. In the absence of the president and vice-president at any meeting, any director chosen by a majority of the directors present shall act as chairperson. In the absence of the secretary, any person appointed by the president shall, act as secretary. The agenda of and procedure for all meetings shall be as determined by the Board of Directors.

12. **Resignation.** Any director of the board of SRPOA may resign at anytime by giving written notice to the board, the president, or the secretary. Such resignation will take place upon receipt of the notice or upon any later date specified in the notice of resignation.

13. **Removal.** Any director may be removed, either with or without cause, at anytime, by the affirmative vote of a majority of the votes of property owners of SRPOA. The vacancy caused by any such removal may be filled by property owners of the SRPOA at a special meeting called for that purpose, or, if property owners fail at such a meeting to fill the vacancy, by the Board of Directors as provided in Section 14 of this Article III. At any time, any director may be removed for cause, in the event that SRPOA has not acted on the matter, by the affirmative vote of all other members of the Board of Directors. The vacancy thus caused may be filled as specified above.

14. **Vacancy.** Except as provided in Section 13 of this Article III, any vacancy in the Board of Directors occurring for any reason may be filled by the affirmative vote of a majority of the directors then in office, though less than a quorum of the board. Any directorship to be filled by reason of an increase in the number of directors (above seven) shall be filled by the affirmative vote of a majority of the directors then in office or by an election at an annual meeting or at a special meeting of property owners called for that purpose. A director chosen to fill a vacancy shall serve for the unexpired term of his/her predecessor.

15. **Executive and Other Committees.** The Board of Directors, by resolution adopted by a majority, of the Board of Directors, may designate from among its members an executive committee and such other committees, each of which, to the extent provided in the resolution and except as otherwise provided by statute, shall have and shall exercise all of the authority of the board. Rules governing procedures for meetings of executive or other committees shall be as established by the board or by such committee. Other committees may be made up of volunteers from among Sunset Ridge property owners and directors. Chairpersons of committees may be appointed by the Board of Directors or by committee members. Responsibilities of committees are outlined in the SRPOA's Protective Covenants or provided by the Board of Directors. Committee chairpersons must report to the Board of Directors. All funds to be spent by committees must receive Board of Directors' approval.

16. **Compensation of Directors.** There will be no compensation for any director of the Board of Directors; however, reasonable expenses incurred by any director or other authorized agent in acting for SRPOA may, if approved by majority vote of the remaining directors, be reimbursed to the director or agent incurring the expense.

ARTICLE IV

ACTION BY CONSENT

1. **Action without a Meeting.** Any action required or which may be taken at a meeting of the Board of Directors of SRPOA, or by members of an executive or other committee, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority of the directors, a majority of property owners, or a majority of the members of the executive or other committee, as the case may be, entitled to vote with respect to the subject matter thereof.

2. Meetings by Telecommunications. Directors of SRPOA or of any committee designated by the Board of Directors may hold and participate in a meeting of the board or of such committee, by means of conference telephone, or similar method, provided all persons so participating can hear each other at the same time or by e-mail provided that all directors are addressees on the e-mail message concerning the issue at hand and that all directors include all other directors on any communication related to the issue.

ARTICLE V

INDEMNIFICATION

SRPOA, Inc. will maintain insurance indemnifying the Board of Directors, officers and other agents of SRPOA Inc.

ARTICLE VI

EXECUTION OF INSTRUMENTS; LOANS, CHECKS, AND ENDORSEMENTS; DEPOSITS, PROXIES

1. Execution of Instruments. The president and vice-president shall have the power to execute and deliver on behalf of and in the name of SRPOA any written instrument requiring the signature of an officer of SRPOA. No director, officer, agent, or employee shall have any power or authority to void actions of SRPOA in any way, to pledge its credit, or to render it liable peculiarly for any purpose or in any amount, except as authorized by these Bylaws or by resolution of the Board of Directors.

2. Borrowing. No loan shall be contracted on behalf of SRPOA and no evidence of indebtedness shall be issued, endorsed or accepted in its name, unless authorized by the Board of Directors.

3. Checks and Endorsements. All checks, drafts or other orders for the payment of money, obligations, notes, or other evidences of indebtedness and other similar instruments shall be signed or endorsed by the treasurer of SRPOA and, in his/her absence only, by the president of SRPOA, or by one other director appointed by the Board of Directors.

4. Deposits. All funds of SRPOA, not otherwise employed, shall be deposited from time to time to SRPOA's credit in such banks or other depositories as shall be determined by the Board of Directors. The board shall specify the officers or agents of SRPOA who shall have the power to make such deposits and to endorse, assign and deliver for collection or deposit checks, drafts, and other orders for the payment of money payable to SRPOA.

ARTICLE VII

FISCAL YEAR

The fiscal year of SRPOA, Inc. shall be the calendar year.

ARTICLE VIII

SUNSET RIDGE PROPERTY OWNERS' ASSOCIATION, INC.'S BOOKS AND RECORDS

1. Corporation Books. The books and records of SRPOA will be kept by the president.

2. Names and Addresses of Property Owners. Each property owner shall furnish to the president a current address to which notices may be directed and, if any property owner fails to do so, it shall be sufficient for any such notice to be directed to such property owner at his/her address last known to the president or his/her designee.

3. Inspection of Books and Records. Any property owner has the right upon written demand stating the purpose thereof, to examine in person or by agent or attorney, at any reasonable time and for any proper purpose, SRPOA's books and records of account, minutes, and record of property owners' voting rights and to make extracts there from.

4. **Distribution of Financial Statement.** Upon the written request of any property owner, the treasurer shall mail to such property owner the last annual and most recently published financial statements, charging the member only for reproduction and mailing costs.

5. **Audits of Books and Accounts.** SRPOA's books and accounts shall be audited at such times and by such auditors as shall be specified and designated by resolution of the Board of Directors.

ARTICLE IX

EMERGENCY BYLAWS

Subject to repeal or change by action of the property owners of SRPOA, the Board of Directors may adopt emergency bylaws in accordance with and pursuant to provisions of the Colorado Non profit Corporation Code.

ARTICLE X

AMENDMENTS

Subject to repeal or change by action of the property owners of SRPOA, the power to alter, amend, or repeal any Bylaws of SRPOA or adopt new bylaws shall be vested in the Board of Directors.

Entered 4/11/2006