

BY-LAWS
Of
HIGHLAND HAVEN PROPERTY OWNERS ASSOCIATION, INC.
CITY OF HIGHLAND HAVEN, BURNET COUNTY, TX
(Revised March, 2011)

ARTICLE I – OFFICE

The principal post office address of the Association shall be Highland Haven Property Owners Association, 510B Highland Drive, Highland Haven, TX 78654 or such other post office address within the City of Highland Haven, TX as the Board of Directors may determine. The corporation shall have, and continuously maintain, in the State of Texas a registered office, and a registered agent whose office is identical with such registered office.

ARTICLE II – MEMBERS

Section 1. Membership: The members of the Association shall be all persons who are a minimum of 21 years of age who own a minimum of one (1) full lot or residence located within the city limits of the City of Highland Haven. Joint owners shall be entitled to only one vote among them, irrespective of the number of residences or lots owned within the city limits of the City of Highland Haven.

Section 2. Limitations of Membership: Financial institutions, real estate agencies, general contractors, etc. owning residences or lots within the city limits of the City of Highland Haven, Texas for sales purposes shall not be members of the Association.

Section 3. Transfer of Membership: Membership in the Association shall be automatically transferred to the purchaser of any lot or residence within the city limits of the City of Highland Haven, Texas. A transfer of deed, filed in the records of Burnet County, Texas, shall constitute prima facie evidence of membership in the Association.

Section 4. Non-Owner Residents and Property Owners in the Nobles Addition: Non-owner residents of homes within the city limits of the City of Highland Haven, Texas and property owners in the Nobles Addition shall not be voting members of the Association. However, such residents or property owners may be granted permission to use the parks, boat ramps, facilities and storage areas by the Board of Directors. The Board of Directors will define eligibility and permitting procedures in writing, and will assign an officer/agent of the Board to administer such procedures.

ARTICLE III – MEETING OF MEMBERS

Section 1. Biannual Meeting: Biannual meetings of the membership shall be held on the second Tuesday of February and of August each year, for the transaction of such business placed in advance on the agenda. The agenda for these meetings shall be defined by the Board of Directors prior to the meeting. Members may make a request in writing to place an item on the agenda a minimum of 21 days before the scheduled biannual meeting. The biannual meeting in February shall be for the purpose of nominating and electing directors for the Board of Directors, as well as transacting other business on the agenda. If the day fixed for the biannual meeting is a legal holiday, under the laws of the United States, such meeting shall be held on the next succeeding Tuesday that is not a legal holiday.

Section 2. Special Meetings: A special meeting of the membership may be called at any time by the Board of Directors. A special meeting of the membership may also be called via a petition, signed by 15 or more

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members, and delivered to the President of the Board of Directors. Notice of such special meeting and the related agenda will be posted a minimum of 14 days before the determined meeting date..

Section 3. Quorum: A quorum at any such biannual or special meeting shall consist of a majority of the Board of Directors and at least twenty five (25) other voting members of the Association present in person, or by duly executed proxy. If a quorum is not present, the meeting will be adjourned and rescheduled.

Section 4. Proxies: Any member entitled to vote may assign his/her vote by proxy to a named representative, by executing a written proxy assignment no more than 30 days prior to each meeting. Proxy assignments must be made on a form approved by the Board of Directors.

ARTICLE IV – BOARD OF DIRECTORS

Section 1: General Powers: The affairs of the association shall be managed by its Board of Directors. All directors shall be members of the Association and full-time residents of the City of Highland Haven, Burnet County, Texas.

Section 2: Number and Tenure: The number of Directors shall be 6. Each Director shall hold office for a term of two (2) years. A Director may serve successive terms, if elected. A nomination committee of at least three (3) members of the Association will be appointed by the Board of Directors prior to the February biannual meeting to nominate candidates for that year. Members may nominate a candidate by written petition to the Board of Directors, signed by fifteen (15) or more members, and a minimum of 21 days prior to the February meeting. All candidates for election shall be provided the opportunity to address the members present at the meeting and/or provide materials supporting their positions regarding the operations of the Association. The members of the Association, at the February biannual meeting, shall elect three (3) Directors.

Section 3: Vacancies: Any vacancy occurring in the Board of Directors will be filled by appointment by the Board of Directors in a closed executive session.. A Director appointed to fill a vacancy shall serve the remainder of the vacant term.

Section 4: Meetings: A meeting of the Board of Directors shall be held within one (1) week after the February biannual meeting for the purpose of electing officers. The outgoing president will call this meeting and preside until a new president of the Board of Directors is elected. The members of the Board of Directors shall hold at least four (4) regular meetings each year at a date, time and place to be designated by the Board of Directors. Notice of the date, time, and place for each regular meeting shall be posted a minimum of 14 days prior to the meeting date, on the bulletin board behind Highland Haven City Hall, on the bulletin board located inside Highland Haven City Hall, and on the marquee in front of Highland Haven City Hall.. All Board meetings shall be open to all members of the Association; only closed executive sessions as provided in these ByLaws will be closed to members.

Section 5: Special Meetings: Special meetings of the Board of Directors may be called by the President, or at the request of any two (2) directors. Notice of such meetings will be posted a minimum of 72 hours in advance of the meeting on the bulletin board located behind Highland Haven City Hall, the bulletin board inside Highland Haven City Hall, and on the marquee in front of Highland Haven City Hall..

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Section 6: Informal Working Sessions: The President may call informal working sessions of the Board of Directors at any time or place to discuss items relevant to the business of the Association and to prepare for regular Board of Directors meetings or meetings of the general membership. Attendance of informal working sessions will consist of Board members and others invited by the Board. Votes relating to Association business will not be taken at informal working sessions, nor will notice of work sessions be posted..

Section 7: Quorum: A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. . In the event a quorum is present, Association business requiring a vote shall pass if approved by a majority of the Board of Directors present at the meeting. If a quorum is not present, Association business requiring a vote will be postponed until the next meeting.

Section 8: Manner of Acting: The act of a majority of the directors in 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 statute.

Section 9: Compensation: Directors, as such, shall not receive salary or remuneration for their service. Directors shall be reimbursed for their reasonable and necessary out-of-pocket expenses in the conduct of the affairs of the Association. Proof of the expense(s) must be furnished to the Treasurer of the Board of Directors.

ARTICLE V – OFFICERS AND BOARD DUTIES

Section 1: Officers: The officers of the Association shall be elected by and from the Board of Directors and shall consist of the President, Vice President, Secretary, Treasurer, and such other officers as may be elected in accordance with the provisions of the article. They will have the authority to perform duties prescribed from time to time by the Board of Directors, published to the membership, and appended to the By-Laws. No two offices may be held by the same Director..

Section 2: Election and Term of Officers: The officers of the Association shall be elected annually at the February meeting of the newly elected Board of Directors in accordance with Article IV, Section 4, of these by-laws. Each officer shall be elected for one (1) year, but shall hold office until his successor shall have been duly elected.

Section 3: Removal: Any officer elected or appointed by the Board of Directors may be removed by majority vote of the Board whenever in its judgment the best interests of the Association would be served thereby. Such removal shall be without prejudice of the officer so removed.

Section 4: Vacancies: Vacancy in any office may be filled by the Board of Directors as specified in ARTICLE IV, Section 3.

Section 5: President: The President shall be the principal executive officer of the Association and shall preside at all meetings of the Association. His or her duties shall include:

- a. Appoint and discharge committees, employees and agents of the Association.
- b. Establish the compensation of employees and agents.

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- c. Make and sign contracts and agreements that have been properly approved in the name of the Association.
- d. Prepare the agenda for all meetings, verify that the minutes of all meetings, books, reports, statements and certificates are properly kept, made and filed.
- e. Verify that a quorum is present at all Board of Directors Meetings as specified in Article IV, Section 7 and at the Meeting of Members as specified in Article III, Section 3.
- f. Act as chief liaison with the City of Highland Haven administration.
- g. Prepare a financial forecast (1 to 5 years) for the February semiannual meeting of the Association Membership.
- h. In December of each year, the President shall appoint an audit committee consisting of not fewer than two (2) permanent residents of the City of Highland Haven, Texas, who will conduct an examination of the financial records, and/or such other records as it deems appropriate, of the Association for the current year ending December 31. This audit committee shall submit its audit report to the Board of Directors prior to the February meeting of the Association and a summary of their findings shall be presented at said meeting.
- i. Perform all acts incident to the office of President, or that may be authorized, or required by law, by these by-laws, by the Board of Directors, or by the members at a regular biannual or special meeting.

Section 6: Vice President: The Vice President shall, in the absence of the President or in the event of a vacancy in that office, perform the duties and exercise the powers of the President and perform other duties as assigned.

Section 7: Secretary: The Secretary shall:

- a. Keep the minutes and records of the Board of Directors and Association.
- b. Prepare correspondence of the Board of Directors and Association.
- c. Give notice of all meetings, and post the agenda on the bulletin board at the Highland Haven City Hall.
- d. Attest to all official records of the Association.
- e. Provide the Board of Directors members copies of the minutes of the previous meeting within two (2) weeks of the said meetings.
- f. Find, purchase, or order office supplies as necessary to perform his or her duties and submit an invoice for expenses incurred to the Treasurer.
- g. Become familiar with the duties of the Treasurer and be prepared to exercise such duties in his or her absence.

Section 8: Treasurer: The Treasurer shall:

- a. Keep a true record of all monies received.
- b. Pay all proper bills, preserving proper vouchers for all expenditures.
- c. Furnish a full report of the finances of the Association at each meeting of the Board of Directors and meeting of the general Association membership.
- d. Assist the President each December in the appointment of an audit committee as specified in Section 5h. of this Article.

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- e. Prepare and submit tax related documents as required by local, state, and federal authorities and laws.
- f. Become familiar with the duties of the Secretary and be prepared to exercise such duties in his or her absence.

Section 9: Park and Grounds Coordinator: The Parks and Grounds Coordinator shall:

- a. Monitor conditions and activities at Association owned parks on a regular basis. Advise the President of any need for repairs or replacement of park facilities. Serve as the lead in effecting such repairs and replacement of park facilities as approved by the Board of Directors.
- b. Execute or arrange for mowing of the parks.
- c. Coordinate with other members of the Board of Directors for mowing around the Community Center, RV storage area, storage sheds, boat trailer storage area.
- d. Arrange for tractor and mower maintenance and submit all invoices associated with such maintenance to the Treasurer.
- e. Procure fuel and lubricants for Association equipment as required and submit all invoices associated with such procurement to the Treasurer.
- f. Insure that all Association equipment stored in the shed is maintained in a clean, neat, and safe condition.
- g. Maintain an inventory of all parks and grounds equipment.
- h. Coordinate the activities of any Association Park Patrol when activated.
- i. Recommend procedural changes and/or improvements to Parks and Grounds Coordination and perform other duties in this area as approved by the Board of Directors.

Section 10: Boat and Utility Trailer Storage Area Coordinator: The Boat and Utility Trailer Storage Area Coordinator shall:

- a. Evaluate rental requests and assign spaces in accordance with policies set by the Board of Directors.
- b. Maintain current rental lists, including payment status and provide the alternate coordinator with these lists.
- c. Apply rental space identification numbers and maintain these numbers on all trailers in the storage area.
- d. Insure refund payments to renters as appropriate.
- e. Insure that the HHPOA owned trailer(s) are included in the inventory lists.
- f. Insure that the fence is maintained around the storage area.
- g. Coordinate mowing activities with the Parks and Grounds Coordinator.
- h. Recommend procedural changes and/or improvements to the Boat and Utility Trailer Storage Area and perform other duties in this area that are approved by the Board of Directors.

Section 11: RV Space and Storage Shed Area Coordinator: The RV and Storage Shed Coordinator shall:

- a. a. Evaluate rental requests in accordance with policy set by the Board of Directors and assign spaces or sheds accordingly.
- b. b. Maintain current rental lists, including payment status and provide the alternate coordinator with copies of this information.

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- c. c. Insure that renters receive refund payments and that credit is given renters for use of space for temporary storage, as consistent with policy set by the Board of Directors.
- d. Enforce restrictions as to vehicles and materials stored in the spaces/sheds established by the Board of Directors.
- e. Inspect storage shelters and sheds and insure that repairs are made as needed.
- f. Recommend procedure changes and/or improvements to RV Space and Storage Shed Coordination and perform other duties in this area as approved by the Board of Directors.

Section 12: Community Center Coordinator: The Community Center Coordinator shall:

- a. Act as chief liaison with the Ladies Club in fulfillment of requirements specified in the Community Center Management Agreement.
- b. Perform routine maintenance inspections and arrange for repairs as needed.
- c. Maintain an inventory of the Community Center equipment. (Note: Kitchenware and decorations are property of the Ladies Club but should be on the inventory list for insurance purposes.)
- d. Be aware of the written Board of Directors policy and procedures for use of the Community Center and ensure that operations are in accordance with that policy and procedure.
- e. Coordinate with the Parks and Grounds Coordinator for group mowing and perform and arrange for other mowing or trimming around the Community Center as needed.
- f. Insure proper functioning of the shrub drip irrigation system.
- g. Maintain operation of the Community Center public address system.
- h. Ensure that air conditioner and heating filters are changed on a regular basis.
- i. Recommend procedural changes and/or improvements to Community Center and perform other duties in this area as approved by the Board of Directors.

Section 13: Inventory Control and Insurance Coordinator: The Inventory Control and Insurance Coordinator shall:

- a. As of each January 15 and July 15 prepare a consolidated inventory list that includes all Association property and real estate.
- b. Report losses and gains to the Board.
- c. Prepare a net worth statement each January 15 and July 15.
- d. Maintain and keep the inventory file current at all times.
- e. Take necessary action to secure annual insurance coverage and to modify the coverage to accurately reflect Association property.
- f. Ensure that insurance coverage is continuous for all Association property that is to be insured.
- g. Suggest procedural changes and/or improvements to the Inventory Control and Insurance Coordination area and perform other duties associated with this area as approved by the Board of Directors.

Section 14: Semi-Annual and Special Meetings Coordinator: The Semi-Annual and Special Meeting Coordinator shall:

- a. Coordinate with Board members to determine newsletter contents and timelines for publications announcing the meeting.
- b. Secure volunteer registrars (3) and vote counters (3 or 4) if required.

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- c. Procure volunteers to provide coffee, tea, and/or other refreshments for the meeting.
- d. Coordinate with the Secretary to publicize the meeting in the newsletter, and by notice at the Highland Haven City Hall and post the agenda at the Highland Haven City Hall bulletin board.
- e. Coordinate the publication of the newsletter to include typing, reproducing, collating, addressing, and mailing at least two weeks prior to the meeting.
- f. Check that the public address system and heating/air conditioning systems are functioning properly prior to the meeting.
- g. Ensure that the chairs, tables for registering, vote counting, and refreshments are set up prior to the meeting.
- h. Ensure that all handouts required for the meeting are prepared by responsible Board of Directors members and are available for distribution at the meeting.
- i. Ensure that a nominating committee for recommending Board of Directors candidates is formed prior to the regular meeting of the Board of Directors in December of each year.
- j. Coordinate the preparation of a list of members for special recognition.

Section 15: Other Assignments/Duties: In addition to the assignments/duties that are specified for each officer in Article V, Sections 5 through 14 above, there may be other duties that should assigned in order to effectively manage the Association. The elected officers may assume these duties or they may be assigned to a volunteer who is a member of the Association and is willing to assume responsibility for the duties. Such assignments/duties will be carried out under the supervision of one or more officers of the Association.

ARTICLE VI – RULES OF ORDER

Parliamentary procedure shall be governed by “Robert’s Rules of Order” (latest revision) except that the board may at its discretion adopt a simplified version of these rules. The Secretary shall procure and maintain an up-to-date copy of such rules that are adopted by the board and have same available at all meetings.

**ARTICLE VII –CONTRACTS, RENTAL, DEPOSITS, DISBURSEMENTS, RESERVES
AND GIFTS**

Section 1: Contracts

- a. The Board of Directors is authorized to negotiate contracts, or execute any expenditure or liability, in the name and on behalf of the Association, but not to exceed \$5000 for any single contract. The majority of the Association membership attending a regular or special called meeting shall approve any contract or instrument for more than \$5000, or exercising their voting proxy at such a meeting, before the contract or instrument is executed. However, the Board of Directors is empowered to draw up, or accept contingency contracts, for amounts exceeding \$5000 pending approval or disapproval of such contracts by the members of the Association.
- b. The Board of Directors is not empowered to execute contracts for the sale of real estate owned by the POA without approval by the general membership.
- c. The Board of Directors will not be restricted to the \$5000 limit for maintenance, insurance, taxes, and upkeep of the Association’s property; e.g., community center, RV sheds, parks, dock and boat ramps, boat and utility trailer parking, storage sheds, and boat storage sheds.

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Section 2: Rentals: The Board of Directors will set lease and/or rental rates for use of property owned or leased by the Association. Funds collected from such rentals shall be for the general use and benefit 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, trusts, or other depositories as the Board of Directors may select. The Board of Directors may adopt such resolutions as may be required by such depository or depositories to clarify the authority of officers of the Association to sign checks and clarify the relationship of the Association to the depository or depositories.

Section 4: Disbursements: All disbursements (order for the payment of money) issued in the name of, or payable to the Association, shall be signed or endorsed by such officer, or officers, and in such manner as shall be determined by resolution of the Board of Directors.

Section 5: Reserves: If the annual receipts of the Association exceed operational expenses and debt requirements, the Board of Directors may create such reserves as may seem proper.

Section 6: Gifts: The Board of Directors may accept on behalf of the Association any contribution, including real property, for the general purpose or for any special purposes of the Association.

ARTICLE VIII – BOOKS AND RECORDS

The Association shall keep correct and complete records and books of accounts and shall also keep minutes of the proceedings of its members and minutes of meetings of the Board of Directors. The Association shall use the City of Highland Haven listing of property owners, updated as necessary by Burnet County records, to determine valid Association members. Any member may inspect all books and records of the Association, or their agent duly appointed in writing, for any proper purpose. The member(s) shall notify the Board by a written signed request that such an inspection is desired and arrangements will be made for the inspection to occur at a reasonable time and place as specified by a majority of the Board of Directors. Association members are not entitled to examine or inspect the books or records without another member of the Association duly appointed by the Board of Directors being present.

ARTICLE IX – FISCAL YEAR

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

ARTICLE X – WAIVER OF NOTICE

Whenever any notice is required to be given under the provision of the Texas Nonprofit Corporation Act, or under the provisions of the Articles of Incorporation, or under the By-Laws 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 XI – DISPOSITION OF ASSETS UPON DISSOLUTION

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Upon dissolution of the Association as provided for by Article IX of the Articles of Incorporation, the assets of the Association shall be paid or distributed in accordance with the Articles of Incorporation.

ARTICLE XII – AMENDMENT OF BY-LAWS

Section 1: Amendment: These by-laws shall be subject to amendment by a resolution in writing, signed by a minimum of fifteen (15) members of the Association and presented to the Board of Directors. The Secretary shall notify the membership in writing of the resolution offered a minimum of 21 days prior to the biannual meeting or special meeting therefore. It shall require a two-thirds (2/3) majority of members present and voting at the meeting or voting by proxy to adopt the by-laws or amendments thereto.

Section 2: Revisions: When in the judgment of the Board of Directors it becomes necessary for these by-laws to be revised, it shall be the duty of the President to appoint a by-laws committee of at least three (3) resident members whose report shall be presented to the Board of Directors. The Secretary shall notify the membership of the proposed revision a minimum of 14 days prior to the biannual meeting or special meeting called therefore. It shall require a quorum at the meeting and two-thirds (2/3) majority of members present and voting at the meeting or voting by proxy to adopt the by-laws or amendments thereto.

Section 3: Severability: If any clause or provision of these by-laws is illegal, invalid or unenforceable under present or future laws, then in that event, the remainder of these by-laws provisions shall not be affected thereby..

Section 4: Duplication, Distributions, and Supply: These by-laws shall be duplicated and the Secretary shall furnish members copies thereof upon request and upon payment of any appropriate fee for the cost of reproduction and postage. The Secretary shall obtain a sufficient number of copies for the needs of the Board of Directors and to maintain a supply on hand for future requirements.

ARTICLE XIII – EFFECTIVE DATE

The by-laws shall be effective immediately upon adoption by the members of the Association, and shall remain in effect in their entirety until amended or revised by the membership as provided in these by-laws.

END OF DOCUMENT