

**Eleventh (11th)
Amended and Restated Bylaws
of the
Florence Gardens Mobile Home Association**

The Board of Directors and the Members of the Association hereby amend all previous Bylaws and replace them to the extent they are inconsistent with these Bylaws, and hereby declare that this document shall be the effective and relevant Bylaws for the Association as of this date.

**ARTICLE I
NAME AND LOCATION**

The name of the Corporation is Florence Gardens Mobile Home Association, hereafter referred to as the "Association". The principal office of the Association shall be located at 3830 North Florence Boulevard, Florence Gardens, Town of Florence, Pinal County, Arizona, but meetings of Members and Directors may be held at such places within the State of Arizona as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Unless otherwise indicated in the recorded Declaration of Covenants, Conditions and Restrictions for Florence Gardens, as amended from time to time, the following definitions and word explanations will be applicable to the "Community Documents" (as defined below).

Section 1. "**Articles**" shall mean the Articles of Incorporation of Florence Gardens Mobile Home Association, as amended and restated, and, also, it shall mean the headings for separate sections in these Bylaws and in the Articles of Incorporation.

Section 2. "**Association**" shall mean the Florence Gardens Mobile Home Association, an Arizona non-profit corporation, its successors and assignees, as more fully defined in Arizona Revised Statutes.

Section 3. "**Board**" shall mean the Board of Directors of the Association.

Section 4. "**Bylaws**" shall mean the current Amended and Restated Bylaws, as amended from time to time.

Section 5. "**Capital Improvement**" is any (i) substantial discretionary addition to the common areas, (ii) voluntary significant upgrade to common area materials, or (iii) discretionary material alterations to the appearance of the development. "Future projects" has the same meaning as "Capital Improvements".

Section 6. "**Common Area**" shall mean all property owned by the Association for the common use and enjoyment of the Owners, including but not limited to all of the Properties, except the land specifically designated as a "Lot" and improvements thereon, on the Plat and all recorded amendments thereto, except streets dedicated to the public and accepted by governmental agency. The Common Area shall also include all recreational facilities, community facilities, swimming pools, hot tubs, etc.

Section 7. "**Common Expenses**" shall mean (1) all expenses of administration of the Association and of the maintenance, operation, management, improvement, repair and replacement of the Common Areas of any portions of the Properties required to be maintained, improved, repaired or replaced by the Association; (2) all expenses declared or contemplated to be Common Expenses as provided in the Community Documents, as the same may be duly adopted and amended from time to time, or applicable statutes and

regulations; and (3) subject to the provisions hereof, all valid charges, assessments or taxes against the Property as a whole.

Section 8. **“Community Documents”** shall mean the Declaration, Articles, Bylaws, Rules and Regulations, including amendments thereto from time to time, as more fully defined in Arizona Revised Statutes.

Section 9. **“Declaration”** shall mean the recorded Declaration of Covenants, Conditions and Restrictions for Florence Gardens, as amended from time to time, except where the content indicates otherwise.

Section 10. **“Future Projects Reserve Fund”** is certain amounts of money set aside for construction and the purchase of additional materials and objects or equipment costing in excess of \$15,000, with a useful service expectancy of one year or more, and that are new for the Common Areas.

Section 11. **“Lot”** shall mean any separate parcel of real property shown upon the Plat of the Properties, including all improvements thereon, with the exception of the Common Areas.

Section 12. **“Member”** shall mean the Owner of a Lot subject to the Declaration as more fully set forth herein and in the Articles.

Section 13. **“Mobile Home”** shall mean either mobile home or manufactured home installed as ground-set on a residential lot in Florence Gardens. Mobile home/manufactured home is a dwelling unit, transportable in one or more sections, constructed on a permanent chassis and built in accordance with HUD standards and displaying a HUD seal or state insignia approval affixed, as required by Town of Florence code.

Section 14. **“Owner”** shall mean and refer to the record Owner, whether one or more persons or entities, of equitable or beneficial title (or legal title if the same has merged) of any Lot which is part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 15. **“Plat”** shall mean the plat of survey of the property recorded in the office of Pinal County Recorder, Arizona, and any recorded amendments thereto.

Section 16. **“Prima Facie”** is Latin and means at first sight, self-evident, or legally sufficient to establish a fact unless disproved.

Section 17. **“Property or Properties”** shall mean and refer to that certain real property which is subject to the Declaration, as the same may be amended from time to time.

Section 18. **“Quorum”** shall mean the minimum number of Members who must be present (in person or by absentee ballot) at a meeting of Members before it can transact business with validity. Quorum also is the minimum number of Directors present at a board meeting before any Association business can be transacted.

Section 19. **“Replacement Reserves”** are monies set aside for particular tax exempt and non-exempt purposes, such as for 1) replacement and maintenance of equipment and major components in the Common Area, as determined by the Board and 2) non-exempt maintenance or contingency or insurance deductible funds.

Section 20. **“Special Committee”** shall mean any Board-appointed committee assembled to address a single topic or issue or to carry out a specific action; the committee disbands when findings are reported to and accepted by the Board or when the project is completed.

Section 21. **“Standing Committee”** shall mean any Board-appointed committee whose tasks are either required by the Bylaws or are of a continuing nature.

ARTICLE III
APPLICATION OF BYLAWS

All owners, residents and other persons who may use the Common Areas of the Association are subject to the Community Documents. The acceptance of a deed to a Lot shall constitute an agreement to comply with the Community Documents, whether or not so indicated on the deed.

ARTICLE IV
MEETING OF OWNERS

Section 1. Annual Meeting. The Annual Meeting of the Members/Owners of the Association shall be held on the second Tuesday of February of each year. The Board may change the date of the Annual Meeting from time to time.

The Annual Meeting shall include, but is not limited to, the election of Board members, voting on amendments to Community Documents and other actions as described in Section 7, and discussion of issues concerning the Association's Owners. Any changes to the Articles, Bylaws or Section A of the Rules and Regulations may be offered for placement on the ballot by one of three ways: by the Board of Directors, by recommendation from the Documents Committee, or by petition signed by five percent (5%) of the Owners by Lots assessed; it shall be the duty of the Board of Directors to evaluate any proposal in open meeting prior to taking action as to whether to place it on a ballot for Owners' vote. All proposed Community Documents changes for the next year's Annual Meeting must be submitted to the Board no later than 1 November.

Section 2. Special Meeting. Special Meetings of the Members may be called at any time by the following: a) President of the Board; b) upon the affirmative vote of a majority of the Board of Directors; or c) upon the written petition of ten percent (10%) of the Owners who are entitled to vote. The petition for having the special meeting will include the issue(s) to be voted upon or discussed.

Section 3. Notice of Meetings. Written notice of each meeting of the Owners shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than twenty (20) days nor more than fifty (50) days before such meeting, to each Owner entitled to vote thereat, addressed to the Owner's address last appearing on the books of the Association or supplied in writing by such Owner to the Association for the purpose of notices. Such notice shall specify the place, day and hour of the meeting and the purpose for which the meeting is called. The failure of any member to receive actual notice of a meeting of the Owners does not affect the validity of any action taken at that meeting.

Section 4. Quorum. At any meeting that requires action by the Members, the number of Members present (in person or by absentee ballot) that equates to at least twenty-five percent (25%) of the number of Lots in FGMHA for which an assessment obligation exists that is not delinquent shall constitute a quorum for any action except as otherwise provided in the Articles, these Bylaws, or Arizona Revised Statutes. A majority vote of the quorum is sufficient to approve any action unless the Community Documents direct otherwise. If, however, the required quorum is not present or represented at any meeting, the Owners entitled to vote thereat shall have the power to adjourn the meeting from time to time, without any further notice other than a posting and an announcement at the meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

If any Owner has an assessment obligation that has not been met, the Board of Directors may, if not previously done, notify the Owner by first class mail at least sixteen days prior to an election or ballot count that his voting rights have been suspended until full payment of delinquent amounts is made. The Owner may be given the opportunity to be heard, orally or in writing, at least five days before the effective date of

the voting suspension by the Board of Directors. The initial effective date of voting suspension will begin at the end of the Office business day on the day before a meeting of members that includes balloting or the day prior to the counting of cast ballots for a member vote without a meeting.

Section 5. Election Committee. The Board shall appoint the Election Committee at its regular open meeting at least sixty (60) days prior to the Annual Meeting or Special Meeting if a vote on issues by Owners is required. The Election Committee shall consist of Owners in good standing who are not already members of the Board or candidates for Director. The number of Election Committee members will be enough to oversee all election activities. In the event there are insufficient Owners to seat an Election Committee, the Board President shall instruct the Management Company to conduct the election according to the policy documents of the Election Committee.

The Election Committee shall oversee preparation of the absentee ballots and the replacement ballots to be used to elect Board candidates and to vote for or against proposed actions at Annual or Special Meetings of Owners. The Election Committee shall use a list of current Owner names and associated full-lot and half-lot ownership to validate returned absentee ballots and to validate those full-vote and half-vote replacement ballots cast by Owners who are entitled to vote.

Before the start of the Owner meeting, the Election Committee shall declare whether the required quorum has been met by the presence of the necessary number of Owners who have not yet voted and by the number of absentee ballots returned in accordance with the Community Documents.

The Election Committee shall count votes after the ballot box has been declared closed at the meeting. Upon completion of counting, the Election Committee shall provide a written tally of votes cast to the person conducting the meeting.

If the results of voting for a candidate create a tie for a position on the Board of Directors, the tie shall be broken by the flipping of a coin under the direction of the Election Committee. The rules to determine the winner shall be described to the candidates having the tie vote by the Election Committee who will oversee the tie-breaking. The winner of the tie break shall be recognized as the officially elected individual.

If the voting by Owners is called by the Board to be done without a meeting, the Election Committee at a posted time will count the votes cast for and against each issue on the absentee ballots and shall provide the Board with the tally of votes to be announced and published for Owners.

Section 6. Action by Written Ballot. Any action that the Association may take at any Annual or Special Meeting of the Members may be taken without a meeting if the Corporation delivers a written ballot to every Member entitled to vote on the matter. Approval by written ballot is valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action and if the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Section 7. Vote on Issues by Members. Members who are entitled to vote shall have the right to vote on the following issues:

- a) candidates for the Board of Directors at an Annual Meeting,
- b) for or against any proposed amendments to the Articles, the Bylaws, and, by a majority of votes cast, those rules in Section A of Rules and Regulations,
- c) removal of one or more Directors during a recall at a Special Meeting,
- d) any increase in annual assessment that is more than ten percent (10%) over the previous year's annual assessment,
- e) any special assessments,
- f) any indebtedness or liability exceeding twenty-five thousand dollars (\$25,000.00),
- g) election of IRS Revenue Ruling 70-604 by a majority of votes cast,

- h) a building project or proposed purchase of a new (non-replacement) item recommended by the Board and having a completed total cost of fifteen thousand dollars (\$15,000.00) or more by majority of votes cast, (membership votes not required for maintenance items, items mandated by law or expenditures not related to the Common Areas), and
- i) any other issues allowed as described in the Bylaws.

ARTICLE V **VOTING RIGHTS**

Section 1. Each Member shall be entitled to one vote for each Lot owned and for which assessment obligations exist. When more than one person holds an interest in any Lot, all such persons shall be Members, except as otherwise provided in the Community Documents.

Section 2. In the event any Lot is owned by two or more persons, said Owners shall designate to the Corporation, in writing, one of the Owners who shall have the power to vote at any and all meetings of the Members and, in the absence of such designation, and until such designation is made, it will be presumed that the Owner voting is authorized to do so by the remaining Owners of the Lot.

Section 3. In the event more than one vote is cast for a particular Lot, however, none of said votes shall be counted and said votes shall be deemed void if no prior designation has been made.

Section 4. When an original lot is divided into two (2) equal halves solely for the purpose of combining each one-half into an adjoining lot thereby creating a parcel equating to one and one-half (1 ½) size of the original lot, owners of said split lots shall be entitled to one-half (1/2) vote in all matters to which full lot owners are entitled. Each owner of the resulting Lots will have one (1) vote for the full lot and one-half (1/2) vote for the split Lot in all elections and votes of the Association membership. Each half of the original split lot must be combined with an adjacent lot resulting in no parcel that is only one-half (1/2) the original size. Under no circumstances will the total number of votes in the Association be increased as a result of the split Lots.

Section 5. If no ballot has been cast by a previous Owner of record who had been sent the notice, the record date for which new Owners, who are otherwise entitled to vote shall be the day before the meeting.

ARTICLE VI **BALLOTS**

Section 1. At all meetings of Owners, each Owner may vote in person or by absentee ballot. All ballots shall include each proposed action and provide an opportunity to vote for or against each proposed action. In election of Board members, Owners may vote for the number of positions to be filled or less than the number of positions to be filled. The Election Committee has the discretion to invalidate any ballot because of unclear markings or too many votes. All ballots shall specify the time and date by which the marked ballots must be received by the Election Committee in order to be processed and counted. All ballots shall expire automatically after completion of the election or meeting. Ballots shall be marked in secret and will not identify the Owner in any way, except when signing concurrence to amendments to the Declaration.

Section 2. Replacement Ballot: Owners may vote in person by using the absentee ballot that was mailed to them or by a replacement ballot which will be provided at the meeting. There shall be no voting by proxy. All Owners who will not be present at the meeting may vote by absentee ballot.

Section 3. Absentee Ballot: All absentee ballots, provided by mail, may be voted in writing by the Owner. Identification, required by the Election Committee to verify all absentee ballots, shall be written on the provided cover envelope. Absentee ballots, enclosed inside the cover envelope, may be returned by mail in the provided self-addressed envelope, or may be returned in person, to the Election Committee prior to

the commencement of the meeting, as more fully set forth in the Notice of the meeting. The absentee ballot does not authorize another person to cast votes on behalf of the Owner. Absentee ballots, once returned to the Election Committee and placed in the sealed ballot box, cannot be retrieved or canceled.

Section 4. Half-vote Ballot: Half-vote ballots shall be printed on a different color paper to distinguish them from full-vote ballots. Owners entitled to half-vote ballots may vote their half-vote ballot, provided by mail, or may vote in person by using the half-vote ballot that was mailed to them or by using a replacement half-vote ballot provided at the meeting.

ARTICLE VII **BOARD OF DIRECTORS; TERM OF OFFICE; NOMINATION; ELECTION**

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than seven (7) Directors.

Section 2. Qualification for Director. A Director must be a Member of the Association and must be in good standing in the Association. An Owner will be deemed to be in good standing if the Owner is current in the payment of all amounts due and owing the Association and is not otherwise in violation of any provision of the Community Documents which remains uncorrected for more than the period given to correct in the notice of violation. No two (2) residents of a Lot may be members of the FGMHA Board at the same time. An Owner who has been removed from the position of Director due to a vote of the Owners (see Section 6) or who resigns at the start of the removal process of his being on the Board may not be a candidate to run for the Board or to be appointed to serve on the Board for a period of at least twenty-four (24) months after removal or resignation under threat of removal.

Section 3. Directors' Terms of Office. Directors shall be elected from among and by the Members of the Association at Annual Meetings thereof and shall serve for a term of three years each or until they resign or are removed. Terms will be staggered so that, without resignations or removals, in no year will a majority of the Directors be elected. However, due to vacancies, it may be necessary to hold election of Directors for one-year and two-year terms at an annual meeting; refer to Section 7.

Section 4. Nomination. Subject to the Owner's rights under the Declaration (CC&Rs), nominations for election as a Director may be made by a Nominating Committee (if any), by incumbent Directors or by Owners, as determined by the Board. The Nominating Committee (if any) shall be appointed by the Board of Directors at its regular open meeting at least ninety (90) days prior to each Annual Meeting of the Owners, to serve until close of such Annual Meeting. The committee appointees shall not be Directors or candidates running for election.

The Nominating Committee (if any) shall make as many nominations for election to the Board as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled, and it shall provide the list of candidates to the Board of Directors and to the Election Committee.

In the event there are insufficient Owners to seat a Nominating Committee, any Owner can self-nominate or nominate Directors by submitting a Board Candidate Application Form per form directions. Completed Board Candidate Applications Forms will be accepted from Members within a published time frame of at least fourteen (14) days. Submission time line ends at least fifty-five (55) days before the Annual Meeting.

Section 5. Election. Election to the Board, as overseen by the Election Committee, shall be by secret written ballot. At such election, the Owners, in person or their absentee ballots may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Bylaws. The candidates receiving the highest number of votes equal to the number of positions to be filled shall be declared elected. The Board shall announce the results of all voting action and then post the voting results for the Owners.

Section 6. Removal of Director. A petition to remove a Board member starts with the Board receiving a petition signed by at least ten percent (10%) of Members entitled to vote in the Association. The Board shall immediately verify the names and number of names on the petition. If the petition is valid, the Board, within thirty (30) days of receipt of the petition, shall call, provide written notice, and hold a special meeting of the Association. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association at the Special Meeting at which a quorum of twenty percent (20%) of the Members entitled to vote are present or have voted by absentee ballot.

Section 7. Vacancies. In the event of a vacancy among the Directors through death, resignation, disqualification, removal or other cause, the Board will announce the vacancy at a Regular or Special Meeting and will establish a framework to actively seek interested and qualified (as described in Section 2 herein) Members to send resumes and will also extend appointment consideration to those non-elected candidates from the previous annual meeting. At open Regular or Special Meeting, the remaining Directors, by affirmative vote of a majority thereof, shall appoint a successor for the unexpired portion of the term of the predecessor, or until the next Annual Meeting.

So long as there is at least one remaining member of the Board, said Board member shall appoint three (3) successors to fill Director vacancies. Thereafter, continuing the vacancy-filling process, by majority vote, the Board of Directors shall appoint a further three (3) Directors to fill the remaining vacancies. When the Board number is completed, the Board shall hold an internal election of Officers (see Bylaws, Article X, Section 6). At that next Annual Meeting, if there is time for proper nomination of candidates, all appointed Director positions will be up for election for one-year and two-year terms to again satisfy length of terms in office as described in Section 3. If there is not time to allow for the proper candidate nomination before the next Annual Meeting (i.e., less than seventy-five (75) days prior to an Annual Meeting), the Directors, as they so determine, will assign terms to expire at the next Annual Meeting for as many appointed Directors as necessary to maintain the schedule for numbers of candidates described in Section 3. In no event, however, can any other Board action be taken on behalf of the Association without at least four (4) Directors on the Board.

Section 8. Compensation. No Director or Officer shall receive compensation for any service rendered to the Association in the capacity as a Director or Officer. However, any Director or Officer may be reimbursed for actual expenses incurred in the performance of duties.

ARTICLE VIII **MEETINGS OF DIRECTORS**

Section 1. Notice of Meetings and Agenda. Notice of Regular or Special Meetings of the Board shall be given to Members at least forty-eight (48) hours in advance of the meeting by newsletter, conspicuous posting and any other reasonable means as determined by the Board. An affidavit of notice by an Officer of the Association will constitute *prima facie* evidence that notice was given as prescribed by Arizona Revised Statutes. Notice to Members is not required if an emergency (a sudden, generally unexpected occurrence) arises that requires immediate action by the Board such that delay of action would be detrimental to the Association and its property. Any notice of a Board meeting shall state the date, time and place of the meeting. The failure of any Member to receive actual notice of a meeting of the Board of Directors does not affect the validity of any action taken at that meeting.

Business agenda items known at the time of notice must be listed on the notice of a Regular or a Special Meeting while the actual agenda for the Regular or Special Meeting of the Board need only be available prior to the start of the meeting.

Section 2. Regular Meetings. Regular Meetings of the Board are open to all Members of the Association and all Members so desiring shall be permitted to attend and speak at an appropriate time during the deliberations and proceedings. The Board may place reasonable time restrictions on those persons speaking

during the meeting but shall permit a Member to speak before the Board takes formal action on an item under discussion in addition to any other opportunities to speak. The Board shall provide for a reasonable number of persons to speak on each side of an issue. Any portion of a meeting may be closed only if the closed portion of the meeting is limited to consideration of one or more of the following: 1) legal advice; 2) pending or contemplated litigation; 3) employment or personnel matters; 4) pending or contemplated matters relating to the enforcement of the Association's Community Documents; and 5) any other concerns suitable for closed meetings as defined by the Arizona Revised Statutes.

In the event the Board's agenda for a regular open meeting is limited, the Board may include on the agenda an extended call to the Members for comments relating to Association business and membership concerns on one specified topic or for many; the extended segment for Member input may be called a town hall meeting but is, in fact, a component of that particular board meeting. No action shall be taken at that meeting on issues brought up by Members; any suggestions from Members may generate New Business at the next regular open meeting.

Section 3. Special and Emergency Meetings of the Board. Special Meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than forty-eight (48) hours' notice to each Director and to the Members. A Special Meeting may be called to discuss business or take action that cannot be delayed until the next regularly scheduled board meeting. An Emergency Meeting, as defined in Section 1 Notice of Meetings and Agenda, may be held without notice. The minutes of an emergency meeting that would have been open to the members if there had been time to post it shall state the reason necessitating its being called, and its minutes shall be read and approved at the next regularly scheduled meeting of the Board of Directors. A workshop for the presentation of information to the Board at which no action will be taken shall likewise be posted and have minutes kept. A Special Meeting may also utilize on the agenda an extended call to the Members for input on one or many issues related to Association business; this town hall format is detailed in Section 2.

Section 4. Quorum and Vote. A majority of the Board shall constitute a quorum for the transaction of business. A quorum of the Board of Directors may meet by means of a telephone conference (speaker phone) or other electronic device that allows Board members and Owners to hear all parties who are speaking during the meeting. Every act or decision done or made by a majority of the Board present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Each Director shall have one vote or may abstain from voting on Board matters. Proxy voting by Directors is prohibited.

Section 5. Action Taken Without a Meeting. To the extent that it is consistent with Arizona Revised Statutes, Board action may be taken without a meeting if the action is taken by all of the Directors. Each action must be evidenced by one or more written consents describing the action taken, signed by each Director, and included in minutes filed with the Association records. Any action so taken will be reported to the Members at the next regular meeting.

ARTICLE IX

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- a) Adopt and publish Rules and Regulations governing the use of the Common Area (and facilities) and the conduct of the Owners, their family members, tenants, guests, invitees, licensees and agents when using the Common Area and facilities thereon and to establish penalties for the infraction thereof;
- b) Suspend the voting rights and right to use of the Common Area of an Owner, his family members, tenants, guests, invitees, licensees or agents, during any period in which such Owner shall be

delinquent over thirty (30) days in the payment of any amounts due and owing the Association. Such rights may also be suspended after due notice for infraction of published Community Documents;

- c) Exercise for the Association all powers, duties and authorities vested in or delegated to this Association and not specifically reserved to the membership by other provisions of these Bylaws, the Articles, or the Declaration;
- d) Declare the position of a member of the Board to be vacant by written notification to that member in the event such member shall be absent from three (3) consecutive Regular Meetings of the Board without an acceptable excuse, at which time the Board shall appoint a successor for that member of the Board (see Bylaws, Article VII, Section 7 for process);
- e) Employ a manager, independent contractors, or such other employees to assist in the day-to-day operations of the Association; and
- f) Appoint committees and to proscribe their responsibilities.

Section 2. Conflict of Interest. If any contract, decision or other action for compensation taken by or on behalf of the Board would benefit any member of the Board or any person who is a parent, grandparent, spouse, child or sibling of a member of the Board or a parent or spouse of any of these persons, that member of the Board shall declare a conflict of interest for that issue at open meeting of the Board. That statement of conflict of interest will be given before the Board discusses or takes action on that issue and that Board member may then vote on that issue. Any contract entered into in violation of this section by not having declared the conflict of interest is void and unenforceable as provided by Arizona Revised Statutes.

Section 3. Duties. It shall be the duty of the Board to:

- a) Adopt a balanced fiscal-year budget for the operation, the reserve funds, and activities for the Association before the start of that fiscal year. Action taken on the proposed budget shall be done at open Board meeting scheduled at least ten (10) days after the draft budget has been made available to Members and has been posted as being on the agenda. The budget shall consist of, but is not limited to, all of the following:
 - 1) the amount required to pay costs of operation, administration and management, maintenance, and repair of the Common Area;
 - 2) amounts necessary to maintain adequate replacement reserves; and
 - 3) amounts necessary to maintain adequate operations reserve.
- b) Cause to be kept a complete record of all its acts and corporate affairs and financial matters securely in the Association offices;
- c) Supervise all Officers, agents and employees of the Association and to see that their duties are properly performed;
- d) Fix the amount of the annual assessment against each Lot at least twenty (20) days in advance of each annual assessment period;
- e) Along with a copy of the approved budget, send written notice of each change in assessment or special assessment with the assessment bill to every Owner subject thereto;
- f) Enforce collection of assessments and other amounts which are not paid;
- g) Enforce any violation of the Community Documents;
- h) Procure and maintain adequate insurance policies in the following areas:
 - 1) liability and hazard insurance on property owned by the Association;
 - 2) directors' and officers' liability;
 - 3) workman's compensation;
 - 4) employer's liability insurance to the extent necessary to comply with applicable law;
 - 5) insurance that insures all officers or employees having fiscal responsibilities to be bonded as deemed appropriate; and
 - 6) insurance to cover any vehicles owned by FGMHA.
- i) Cause the Common Area to be maintained;
- j) Use Robert's Rules of Order as a reference to conduct meetings;

- k) Cause an annual financial audit or review to be prepared by a certified public accountant within 180 days after the end of the fiscal year. For each year, the Board shall require a financial audit or a review, but a financial audit must be conducted no less often than every four years. It shall be the duty of the Board to cause a professional financial audit or review to be done, at the discretion of the Board, upon the replacement of the Treasurer, a signer on record for the Association's financial accounts, an employee with access to Association funds, or if felt by the Directors to be necessary;
- l) Cause a survey to be conducted every two years to determine the percentage of all dwellings in Florence Gardens that have an age-qualified resident per HOPA;
- m) Establish the right, as voted by the Members, to maintain a fund for Future Projects/Capital of which any one project has a completed total cost in excess of \$15,000; the monies for the fund may be collected from specific assessment amounts for specified time periods for Capital Improvements approved by the Members; and
- n) Maintain Replacement Reserves, as determined by the Board.

ARTICLE X **OFFICERS AND THEIR DUTIES**

Section 1. Enumeration of Officers. The Officers of this Association shall be a President, a Vice-President, a Secretary and a Treasurer, each of whom shall at all times be a member of the Board of Directors.

Section 2. Election of Officers. The election of Officers shall take place at an open Special Meeting of the Board following each Annual Meeting of the Owners. The Special Meeting shall have been posted and an affidavit of notice shall have been filed. The meeting shall be called to order by the highest ranking Officer or Director with an unexpired term from the previous Board. Instructions about the duties of each Officer shall be given, and the Election Committee shall oversee the election. A majority vote of the Directors shall elect each Officer. The President shall be elected first, the Vice-President second, next the Secretary, and then the Treasurer. A Director may refuse the office to which he is elected upon announcement of the voting results; in that case, a new vote will take place. Upon completion of the election of officers, the Officers shall start fulfilling their duties.

Section 3. Term of Office. Each Officer has a term of one (1) year following election after the annual meeting unless that position-holder shall sooner resign, or shall be removed, or shall otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect by resolution such other special officers as the affairs of the Association may require; the special officers need not be Directors. Any special officer who is not a current Director shall have no vote on Board action and shall hold office for such period, have such authority, and perform such duties as the Board may determine.

Section 5. Removal and Resignation. Any Officer may be removed from office, but not from the Board, with or without cause, by majority vote of the Board. Any Officer may resign at any time from the office elected or held by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. After the initial election of Officers, a vacancy in any office, except for that of the President, shall be filled by majority vote of the Board. A Director so elected may refuse the Office vacancy upon announcement of the voting results and a new vote will then take place to fill the position. In the event the vacancy is for the President, the Vice-President shall assume the President's position. The new President shall then call for a vote to fill the Vice-President position and any other offices that may become vacant at that time. In the event that all Officers resign or are removed from office, a new election of Officers by the Board shall take place; further, in the event there are no Officers because of resignation or

removal of Board members, once all the Board vacancies are filled, the Board shall hold an Officer election. The Officer elected by the Board to such vacancy shall serve until completion of the next Annual Meeting of Members or, if his Director term is not expired, until the election of officers after that Annual Meeting.

Section 7. Duties. In addition to the fiduciary duties and responsibilities of all board members, the Officers have additional tasks to either perform or to oversee for the efficient operation of the board and the association. When certifying the adoption of a governing document, the President and the Secretary (or another officer) must sign the document. Furthermore, any board-approved contract or agreement with any other person or business must be signed by the President (or the presiding officer of the meeting at which the contract is approved) and one other officer. The duties of the Officers include the following:

President

The President shall prepare the agendas with input from Board members and Owners and shall preside (or assign a designee) at all meetings of the Board. The President shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instructions as approved by the Board at an open Board meeting, and may co-sign all checks and promissory notes. The President shall have general charge and control of affairs of the Association, subject to approval of the Board at a Board meeting. The President will submit for Board approval at an open Board meeting the appointment of Directors to be liaisons to the various committees with the exceptions provided elsewhere in the Bylaws. With the majority vote of the Board, the President will appoint a Director to be chair of the Architectural Committee. To facilitate communication, the President (or his designee) shall act as liaison with the Association manager and the Association attorney.

Vice-President

The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the President and the Board.

Secretary

The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board and of the Owners and may obtain the services, with Board approval, of a recording secretary to accomplish that task. The Secretary shall keep the corporate seal, if any, of the Association and affix it on all papers requiring said seal, effectuate notice of meetings of the Board and the Owners, and oversee the keeping of appropriate current records showing the Members of the Association, together with their addresses. The Secretary shall have charge of all books of the Association's transactions and correspondence and shall perform such other duties as required by the Board.

Treasurer

The Treasurer shall be responsible for overseeing the receiving and depositing in the appropriate bank accounts all monies of the Association and for disbursing such funds as directed by action of the Board. The Treasurer (or designee if the Treasurer is not available) shall co-sign all checks and promissory notes of the Association and will obtain a second signature of a Board member or association manager on all checks and notes. The Treasurer shall oversee the maintenance of accounts and financial records for the Association. This Officer shall make such reports to the Board as may be required by the Board, and shall perform all acts and things incidental to the office of the Treasurer, subject to the control of the Board. The Treasurer shall be bonded by the Association in such amount as the Board shall fix and determine for the faithful performance of the duties of the Treasurer. The Treasurer shall be liaison to the Finance Committee.

ARTICLE XI **COMMITTEES**

Section 1. Executive Committee. The Board may appoint, for a specific time period, an Executive Committee composed of three Directors from the Board to determine such matters as may be authorized by the Board and to function until a Board meeting may be held.

Section 2. Appointment, Structure, Function and General Limitations of Board Committees and Event Coordinators. The Board of Directors may create committees to assist in the operation of the Association and to serve at the pleasure of the Board. Committee membership requires a majority vote of approval of the Board of Directors.

Membership of standing committees requires renewal by reappointment within thirty days at an open Board Meeting after the Annual Meeting of Members. Vacancies for a committee shall be filled by appointment at any open board meeting.

The Board of Directors may also appoint by majority vote coordinators to organize and operate social events that generate funds for the Association or that use Association monies. Any occurrence that generates money for the Association must be overseen by the Board of Directors to reduce the Association's liability.

The purpose of each appointed committee and each event coordinator position shall be set by the Board. Except for the Architectural Committee, each committee shall elect its chair or co-chairs.

Any budget requests from committees and coordinators for the next annual budget must be submitted to the Finance Committee by May 1 unless directed otherwise by the Board.

There are two types of Board Committees:

- a) **Standing Committee.** The Board may appoint standing committees that have a permanent and continuing function in the Association.
- b) **Special (or Ad-hoc) Committee.** The Board may appoint special committees that are established for a specific purpose; such a committee ceases to exist after the task assigned to it is completed and the committee makes its final report. The purpose of the special committee may also involve the organization and operation of a social event that generates or uses Association money as in a fundraiser.

Board committees are bound by the same requirements governing meetings, action without meetings, notice, and quorum as the Board. Any committee made up of Members may not authorize distributions, approve or recommend to Members any action that requires the Members' approval, or fill vacancies on its committee without approval of the Board.

Section 3. Architectural Committee. The Architectural Committee serves to support the Board by reviewing and, if in compliance with the CC&Rs and Section A of the Rules and Regulations, to approve Owner-submitted building project applications for new home installations, new construction, and modifications made on the Owners' lots. At least one member of the Board of Directors shall serve as chairperson; having co-chairs is preferable so that the Board is represented at each Architectural Committee meeting. The Board will ensure there are at least three (3) Owners on the Architectural Committee.

The Architectural Committee shall assume no responsibility for the accuracy or soundness of any plans and specifications or for the accuracy of the location of an Owner's lot. If plans submitted to the Architectural Committee during the building application process do not comply in all respects with applicable restrictions, the Architectural Committee shall reject the plans and inform the Owner of his right to contest that decision; the committee shall then submit to the Board all pertinent documents. If the Owner does request reconsideration of his application, the Board shall review the Architectural Committee's findings and take appropriate action. All decisions made by the Board shall be final.

Section 4. Liaison to Committee. The liaison (not a member of the committee) is generally a member of the Board of Directors. Assignment of liaisons is outlined in each Board-approved committee charter; the President shall prepare a list of possible liaison appointments which require approval of the Board by majority vote at open Board meeting within thirty days of an Annual Meeting of Members. The liaison should attend or receive reports of all meetings of the committee(s) to which he is assigned; the liaison relays questions, concerns and information between the Board and the committee(s).

ARTICLE XII

BOOKS AND RECORDS

The Association must retain certain records beyond current use needs, according to regulatory, legal, financial, and operational requirements. Permanent records shall consist of but are not limited to the Community Documents, resolutions, records of minutes of all meetings of the Members and the Board of Directors, a record of all actions taken by Members or the Board of Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors on behalf of the Association. The Association shall maintain appropriate accounting records. The Association shall maintain a record of its members in a form that permits preparation of a list of the names and mailing addresses of all members. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

In the Association office, a copy of all of the following records shall be kept:

- a) FGMHA Community Documents and all amendments or restatements currently in effect;
- b) Resolutions, policies and procedures adopted by the Board of Directors;
- c) Member and/or renter's verification of age by residence on a Lot as required by HOPA;
- d) Minutes of all member's meetings and records of all actions taken by Members without a meeting for the past three years;
- e) Minutes of all board of directors' meetings and records of all actions taken by the board without a meeting for the past three years;
- f) Financial statements for the past three years;
- g) Financial audit;
- h) Reserve study;
- i) Written communication to Members generally within the past three years;
- j) List of the names and business addresses of the current directors and officers; and
- k) Annual report most recently delivered to the Arizona Corporation Commission.

Records kept by or on behalf of the Association and the Board may be withheld from disclosure if the records relate to privileged communication between an attorney for the association and the association, pending litigation, meeting minutes or other records of a board meeting that are not required to be open to all members according to Arizona Revised Statutes, personal, health or financial records of members of the Association or its employees or employees of contractors for the Association, records relating to job performance, health, complaints against or compensation of that employee of the Association or employee of a contractor for the Association.

Written request from the Member or the Member's representative so designated by the Member may be required. Review of the requested records shall be allowed at the clubhouse within ten business days from the time the request is received. There is no charge to view the documents. Policy shall be established by the Board pertaining to viewing the requested documents and to copying them. If copies are requested, they shall be available within ten business days.

The Association will implement a records retention policy and will periodically review and update record storage.

ARTICLE XIII **ASSESSMENTS**

Section 1. Purpose. All assessments levied by the Association shall be used for the purpose of promoting the general benefit, recreation, health, safety and welfare of the Owners of the Properties. Such purposes shall include provisions for the improvement, construction, repair, maintenance and management of Common Areas, including the improvements and facilities thereon; and further shall include the maintenance, care and upkeep of the plantings and other landscaping of the Common Area.

Section 2. Annual Assessment. There shall be an annual assessment levied each fiscal year by the Association against all Lots for which assessment obligations exist. This levy shall support an annual fiscal year operational budget to pay all Common Expenses and to support the reserve funds established by the Board or the membership.

Each Owner's single lot pro rata share shall be a portion of the general assessment income total from the fiscal year operational budget determined by the Board for the ensuing year; the single lot share shall be equal to the general assessment income total divided by the total number of Lots subject to assessment. Owners of one-half lots shall be assessed one-half (1/2) assessment for the one-half lot.

The Board of Directors may not increase the annual assessment by more than ten percent (10%) above the amount assessed the previous fiscal year without the affirmative vote of a majority of the Members.

All Annual Assessments become due on February 10 of each year and become delinquent by March 1 of the due year, unless otherwise stated by statute.

Section 3. Special Assessments. The Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or maintenance of an improvement upon the Common Area, including fixtures and personal property thereto, or any other lawful expense incurred by the Association. Any special assessment shall be approved by a majority vote of all Members.

Section 4. Charges. In the event any Owner fails to maintain his/her Lot in a neat and clean condition and generally in a manner satisfactory to the Board, or if the Lot or the improvements thereon are otherwise in violation of any provision of the Community Documents, the Association, through its agents, employees and/or independent contractors, shall have the right, and each Owner expressly grants and assigns the Association the right to enter upon such Owner's Lot and repair, maintain, rehabilitate and restore the Lot and/or to otherwise bring the same into compliance. The cost thereof shall be charged against and collected from the Owner of the Lot, the amount thereof to be paid by the Owner within thirty days from the date of the invoice sent to the Owner, and said amount further shall be secured by and subject to all provisions regarding the assessment lien as provided in the Community Documents, plus attorneys' fees and costs.

Section 5. Notice. Prior to exercising the aforesaid rights, the Association shall give written notice to the Owner of said Lot specifying the necessary repairs, maintenance, rehabilitation or restoration to be undertaken and granting the Owner time, as more fully set forth, of such period on the notice of violation, to accomplish the same. If, at the end of said period, the work required to be performed has not been completed, the Association shall have the right, as above set forth, to make such repairs, maintenance, rehabilitation or restoration. Nothing herein contained shall be construed as granting to the Association any right to enter into or inside of any building or buildings or mobile home located on a Lot without the consent of the Owner thereof.

Section 6. Late Penalty and Attorney's Fees. Each Owner, for himself, his heirs, executors, administrators, successors, and assigns, covenants and agrees that any assessment or charge including fines or penalties, not paid when due shall be deemed delinquent, shall bear from the date of delinquency a late penalty not to exceed the greater of fifteen dollars (\$15.00) or ten percent (10%) of the amount of the unpaid assessment as provided in Arizona statute on the unpaid assessment until paid. The Owner shall also be liable for all costs incurred by the Association in collecting any such amounts, including reasonable attorneys' fees, whether or not suit is filed.

Section 7. Enforcement. The Association, as the agent representative of the Owners, as well as any Owner, shall have the right to enforce the provisions of this Article. If the Owner of any Lot fails to pay any amount when due, or is otherwise in violation of the Community Documents, the Association or any Owner may enforce the payment of any such amount or violation, and/or enforce the lien against the Lot by taking any of the following actions, concurrently or separately (and by exercising any one of the remedies hereinafter set forth, the Association does not prejudice or waive its right to exercise any other remedies):

- a) Bring an action at law against the Owner in violation and/or personally obligated to pay such amounts;
- b) File a lien in the Office of the County Recorder of Pinal County, Arizona, for nonpayment of any such amounts and posting a copy of the same upon the Lot involved;
- c) Foreclose the lien against the Lot in accordance with the prevailing Arizona law relating to the foreclosure of mortgages, including the right to recover any deficiency, and the Lot may be redeemed after foreclosure sale as provided by law. The Association acting on behalf of the Owners shall also have the power to bid at a foreclosure sale and to acquire and hold, lease, mortgage and convey the Lot.

Anything hereinabove to the contrary notwithstanding, the remedies above set forth for the Association are not exclusive, and the Association may pursue any and all other remedies available to it at law or in equity.

Section 8. Subordination of Lien. The lien provided for herein shall be junior and subordinate to the lien of any first realty mortgage of an institutional lender against the Lot, and foreclosure of the lien shall not affect or impair the lien of any such first realty mortgage. Any such first mortgage foreclosure purchaser, or grantee taking deed in lieu of foreclosure, shall take the Lot free of the lien for all charges that have accrued up to the date of issuance of a sheriff's deed or such deed given in lieu of foreclosure, but shall take subject to the lien for all assessments and charges accruing subsequent to the issuance of a sheriff's deed or deed given in lieu of foreclosure.

ARTICLE XIV **FISCAL YEAR**

The fiscal year of the Association shall be the calendar year and shall begin on the first day of January of every year.

ARTICLE XV **CORPORATE SEAL**

The Association may have a seal in a form approved by the Board. Failure to use the seal, however, shall not invalidate any document that would otherwise be valid.

ARTICLE XVI
AMENDMENT

These Bylaws may be amended by the membership at any Regular or Special Meeting of the Members by a two-thirds approval of the votes cast or by a majority of the voting power, whichever is less. Further, the Board of Directors has the responsibility to constantly evaluate the applicability of existing Bylaws and to recommend revisions, additions or deletions for approval by the Members.

ARTICLE XVII
CONFLICTING DOCUMENTS

In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

CERTIFICATION

Pursuant to Article XVI of the Amended Bylaws, these current Amended and Restated Bylaws of Florence Gardens Mobile Home Association were adopted by a majority vote of the members present in person or by absentee ballot at an annual meeting of the members wherein appropriate advanced written notice was provided of the proposed amendments and at which a quorum was established.

IN WITNESS WHEREOF the President and the Secretary of the Association, acting for and on behalf of the Association, have hereunto set their hands this 24th day of February 2023.

Cheryle Arends
President

David P. Larson
Secretary

STATE OF ARIZONA)
 : ss
County of Pinal)

On this 24th day of February 2023, before me, the undersigned Notary Public, personally appeared the President and the Secretary of Florence Gardens Mobile Home Association, an Arizona non-profit corporation, and acknowledged to me that they, being authorized to do so, executed the foregoing instrument for the purposes therein by signing their names by themselves as such officers.

IN WITNESS WHEREOF, I have set my hand and official seal.

My commission expires:
9-3-2025

Y Rodriguez
Notary Public

