

**BY-LAWS OF**  
**THE LA MESA HOMEOWNERS ASSOCIATION, INC.**

In accordance with By-Laws Article XII and the vote by the Members, held June-July 2011 to change the fiscal year to a calendar year, with votes representing more than two-thirds (2/3) of the Lots being cast in favor of making the fiscal year January 1 – December 31, the Board of Directors hereby adopts the following Amendment to the By-Laws:

**AMENDMENT 1**

**Replace ARTICLE IV, Section 1 in its entirety with the following:**

**ARTICLE IV: MEETINGS OF MEMBERS**

**Section 1. Annual Meeting**

The annual meeting of the Members of the Association shall be held in the month of April at a location selected by the Board of Directors within ten (10) miles of the La Mesa Subdivision, within the County of Sandoval, State of New Mexico. At the annual meeting, the Board of Directors shall present an audit of all expenses, itemized receipts and disbursements to date for the **prior** fiscal year, the budget for the **current** fiscal year, and any other business which may properly be brought before the Association. The audit shall be conducted by an independent committee made up of at least three members in good standing of the Association and appointed by the Board of Directors. No member of the audit committee shall be an active Board Member.

**Replace ARTICLE XIII, Section 1 in its entirety with the following:**

**ARTICLE XIII: MISCELLANEOUS**


**Section 1 Fiscal Year**

The fiscal year of the Association shall begin the first day of January and end on the 31st day of December of every year.

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MISCELLANEOUS Pg. 1 of 2  
Sally G. Padilla, Sandoval County Clerk



  
George Franzen, President, La Mesa Homeowners Association, Inc.

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**BY-LAWS OF  
THE LA MESA HOMEOWNERS ASSOCIATION, INC.**

Preamble: The La Mesa Homeowners Association is a Nonprofit Corporation organized and operated under the applicable laws of the State of New Mexico and the New Mexico Nonprofit Corporation Act. These Bylaws, certified to have been amended by a majority vote of the membership of the La Mesa Homeowners Association on the date herein indicated, supersede and replace in their entirety the original Bylaws adopted on July 21, 1988.

**ARTICLE I: OFFICES**

**Section 1. Principal Office**

The principal office of the Corporation in the State of New Mexico shall be located as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

**Section 2. Registered Office and Registered Agent**

The Corporation shall have and continuously maintain in the State of New Mexico a registered office and a registered agent, as required by law. The registered office may be, but need not be, identical to the principal office of the Corporation, and the address of the registered office may be changed from time to time by the Board of Directors and kept on file in the registered office of the Association.

**ARTICLE II: DEFINITIONS**

**Section 1. The Association**

The term "Association" shall have the same meaning as set forth in the CC&Rs.

**Section 2. CC&Rs**

The term "CC&Rs" shall have the same meaning as set forth in the Covenants, Conditions and Restrictions of the La Mesa Homeowners Association.

**Section 3. Common Facilities**

The term "Common Facilities" shall have the same meaning as defined in the CC&Rs.

**Section 4. Common Properties**

The term "Common Properties" shall have the same meaning as defined in the CC&Rs.

**Section 5. La Mesa Water Cooperative**

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The term "La Mesa Water Cooperative" shall have the same meaning as defined in the CC&Rs.

**Section 6.Lot**

The term "Lot" shall have the same meaning as defined in the CC&Rs.

**Section 7.Member**

The term "Member" shall have the same meaning as defined in the CC&Rs.

**Section 8.Property Owner**

The term "Property Owner" shall have the same meaning as defined in the CC&Rs.

**Section 9. Properties**

The term "Properties" shall have the same meaning as defined in the CC&Rs.

**ARTICLE III: MEMBERSHIP**

**Section 1.Qualifications for Good Standing**

**Section 1.1 Additional Qualifications**

In addition to those qualifications set forth in Article 7 of the CC&Rs and in the Articles of Incorporation, the qualifications for being a Member in good standing shall be as follows:

- a) Full payment of any and all assessments levied by the Association against the proposed Member's Lot within thirty (30) days of the postmarked date of the invoice.
- b) Full compliance with the CC&Rs and any rules and regulations promulgated by the Association; and
- c) Full payment of any and all assessments levied by the La Mesa Water Cooperative within 30 days of the postmarked date of the invoice.

**Section 1.2. Delinquent Accounts**

Delinquent Accounts shall cause the forfeiture of voting rights and shall disqualify the Member as being "In Good Standing". Good Standing, along with all associated voting rights, shall be restored upon payment in full of all delinquent accounts including any applicable penalties and interest. The status shall be determined through a list provided to the Board of Directors compiled from time to time by the Secretary.

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## **Section 2. Voting**

### **Section 2.1 Right to Vote**

The right to vote shall be as stated in Section 7.3 of Article VII of the CC&Rs and only Members In Good Standing shall have the right to vote.

### **Section 2.2 Absentee Voting**

Absentee voting shall be permitted for regularly scheduled elections of directors, for any vote to amend, alter or repeal the Articles of Incorporation, the Bylaws or the CC&Rs, and for any other business that the Board deems absentee voting to be appropriate. When absentee voting is prescribed, a vote must be recorded on the official ballot form and received by the date indicated in order to be counted.

### **Section 2.3 Absentee Ballots Mailing**

Absentee Ballots shall be mailed with the meeting notice and agenda.

## **ARTICLE IV: MEETINGS OF MEMBERS**

### **Section 1. Annual Meeting**

The annual meeting of the Members of the Association shall be held in the month of April at a location selected by the Board of Directors within ten (10) miles of the La Mesa Subdivision, within the County of Sandoval, State of New Mexico. At the annual meeting, the Board of Directors shall present an audit of all expenses, itemizing receipts and disbursements to date for the **current** fiscal year, the estimated budget for the **next** fiscal year, and any other business which may properly be brought before the Association. The audit shall be conducted by an independent committee made up of at least three members in good standing of the Association, and appointed by the Board of Directors. No member of the audit committee shall be an active Board Member.

### **Section 2. Special Meetings**

Special Meetings of the Members of the Association may be called at any time by the President, or upon resolution signed by at least a majority of the Board of Directors, or upon written petition to the President signed by ten percent (10%) of the Members. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted except as specified in the notice.

### **Section 3. Notice**

Notice of meetings of the Members of the Association both regular and special shall include the purpose, place, date, hour of the meeting and agenda and shall be given to each Member of record in writing and delivered either personally or by mail to the address shown upon the books of the Association, at least ten (10) days prior to the meeting.

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#### **Section 4. Quorum**

A quorum shall be required to conduct any business requiring a vote of the membership at any regular or special meeting of the Association. The minimum number required to establish a quorum at any meeting shall be computed by multiplying the current number of Lots which have been issued a certificate of occupancy by 0.30 (30%). Where absentee voting is authorized by these Bylaws or by the Board of Directors in accordance with these bylaws, a quorum shall exist for those specific items included on the absentee ballot, provided that the sum of Lots represented by Members present at the meeting, and the Lots represented by Members who have registered their vote by absentee ballot equal or exceed the minimum number required to establish a quorum as otherwise provided in this article.

#### **Section 5. Agenda Items**

Agenda items for any meeting may be submitted to any Director in writing by Members at least twenty (20) days prior to the mailings of meeting notice. The Board of Directors shall have discretionary authority to include or exclude agenda items requested by Members. Nothing in this section shall be construed to preclude a Member from introducing an item for consideration as new business at a regular meeting because the item was not included on the agenda.

#### **Section 6. Order of Business**

The order of business at the annual meeting, and as far as possible at other meetings, shall be:

1. Calling to order and proof of quorum;
2. Approval of agenda items;
3. Proof of notice of meeting;
4. Reading and action taken upon the minutes of the last meeting;
5. Reports of Directors;
6. Report of Officers and Committees;
7. Election of Directors;
8. Unfinished business;
9. New business;
10. Adjournment

### **ARTICLE V: DIRECTORS**

#### **Section 1. Eligibility**

Any Member of the Association who is "in good standing" in accordance with Article III, Section 1.1 of these Bylaws may be elected to the Board of Directors. A member not "in good standing" shall not be eligible for election. The Board of Directors shall determine the standing of those Members seeking election

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following the criteria set forth in Article III, Section 1.1 of these Bylaws. If a candidate for election has been determined not to be "in good standing", he or she may be elected only if the deficiency has been certified by the Board to be corrected prior to the date of the election. Any such deficiency must be corrected at least thirty (30) days prior to the election for the candidate to have his or her name placed on the official ballot. Correction of the deficiency less than thirty (30) days prior to the election will necessitate that the member run as a "write-in candidate" on the ballot.

### **Section 2. Directors Meetings**

Regular meetings of the Board of Directors shall generally be held monthly as determined by the Board and at such place and hour as may be fixed from time to time by resolution of the Board. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director. Although individual Association Members have no vote at a meeting of the Board of Directors, regular Directors meetings shall be open to any Member of the Association. A schedule of meeting dates shall be available to any Member from any Board member.

### **Section 3. Quorum**

A majority of the total number of Directors shall constitute a quorum for the transaction of business. Each act or decision done or made by the Directors shall require the assent of a simple majority of the quorum.

### **Section 4. Vacancy, Removal and Replacement of Directors**

Any Director or Officer of the Association may resign in writing at any time and may be removed from office, with or without cause, by a vote of not less than two-thirds (2/3) of the Members of the Association provided that there is a quorum present at any annual meeting or at any special meeting called for that purpose. In the event of death, resignation or removal of a Director, his successor shall be appointed by the Board of Directors and shall serve until the next meeting of the Association when another shall be elected for the unexpired term.

### **Section 5. Compensation of Directors**

No Director shall receive compensation for any service he may render to the Association; however, any Director may be reimbursed for reasonable, actual expenses incurred in the performance of his duties or as directed by the Board, after the submission of receipt(s).

### **Section 6. Action of Directors Without a Meeting**

The Directors shall have the right to take any action in the absence of a meeting of the Directors which could be taken at a meeting by obtaining the written approval of a majority of the Directors. Such business or action may be

conducted by telephone, and written minutes entered into the records of the Association at the next regular meeting of the Directors. Any action so approved shall have the same effect as if taken at a meeting of the Directors.

## **ARTICLE VI: POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

### **Section 1. Powers**

The Board of Directors shall have the power to:

- a) Adopt and publish rules and regulations governing the use of Common Facilities and Common Properties, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- b) Suspend the good standing of any Member as specified in Article III of the Bylaws;
- c) Suspend the right to the use of Common Facilities and Common Properties by a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulation;
- d) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the CC&Rs;
- e) Declare the office of a member of the Board of Directors to be vacant in the event such Member shall be absent from four (4) consecutive regular meetings of the Board of Directors and fill that vacancy;
- f) Employ an independent contractor as they deem necessary;
- g) Appoint replacement board Members;
- h) Levy assessments and the enforcement and collection thereof in accordance with the provisions of the Bylaws and the laws of the State of New Mexico and the provision of the CC&Rs.

### **Section 2. Duties**

It shall be the duty of the Board of Directors to:

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- a) Cause to be kept complete records of all its acts, decisions, and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting;
- b) Supervise all officers, agents, and employees of this Association, to insure that their duties are properly performed;
- c) As more fully provided in the CC&Rs, to;
  - (1) Complete the determination of and the assessment of fees for each Lot at least thirty (30) days in advance of each annual assessment period;
  - (2) Send written notice of each assessment to every Property Owner subject thereto at least thirty (30) days in advance of each annual assessment period;
  - (3) Fix the amount of any special assessment against each Lot as provided in the CC&Rs and send statements to each Owner as provided therein;
  - (4) Send written notice of each special assessment to every Owner subject thereto at least thirty (30) days in advance of the due date;
  - (5) Foreclose the lien of the Association against any Lot for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Property Owner personally obligated to pay same when, in the discretion of the Board of Directors, such action would be in the best interest of the Association;
  - (6) Issue a receipt for any Assessment payments and such receipt shall be conclusive evidence of such payments;
  - (7) Provide bonding for all officers having check signing authority;
  - (8) Cause the Common Facilities and Common Properties to be maintained;
  - (9) Prepare the annual budget;
  - (10) Pay all Association bills when they become due;

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(11) Enforce by legal means the provisions of the CC&Rs, these By-laws, and any Rules and Regulations adopted in accordance with the Articles of Incorporation, these Bylaws or the CC&Rs; and

(12) Act on behalf of the Property Owners with respect to all matters arising out of any eminent domain proceeding.

(13) Procure and maintain adequate liability and hazard insurance on property owned or maintained by the Association.

### **Section 3. Check Signing Authority**

Either the President or the Treasurer is authorized to sign checks on behalf of the Association for an amount not to exceed one hundred dollars and no cents (\$100.00). Any check written on Association accounts and exceeding \$100.00 shall require the signatures of both officers.

## **ARTICLE VII: OFFICERS**

### **Section 1. Enumeration of Officers**

The officers of this Association shall be a President, a Vice President, a Secretary, and a Treasurer and such other officers as the Board of Directors may, from time to time, by resolution create. Each officer shall be a Member of the Association.

### **Section 2. Election of Officers and Term**

The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless the officer shall sooner resign, or shall be removed, or otherwise disqualified to serve. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

### **Section 3. Appointments**

The Board of Directors shall appoint all members of Ad Hoc Committees, all members of the Architectural Control Committee (ACC), and other officers from the Members of the Association as the affairs of the Association may require, each of whom shall hold the appointment for such period, have such authority and perform such duties as the Board may determine.

### **Section 4. Resignation and Removal**

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Any officer may be removed from office, with or without cause, by the Board. Any officer may resign in writing at any time giving written notice to the Board. 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 5. Duties**

The duties of each officers are as follows:

- a) **President.** The president shall preside at all meetings of the Members and the Board of Directors, shall see that the orders and resolutions of the Board are carried out, shall sign all written instruments on behalf of the Association.
- b) **Vice President.** The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
- c) **Secretary.** The secretary shall be responsible for ensuring that a record is kept of the votes and the minutes of all meetings and proceedings of the Board and of the Members ; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; shall keep appropriate current records showing the Members of the Association together with their mailing address and whether or not they are In Good Standing; and shall perform such other duties as required by the Board.
- d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all moneys of the association, including but not limited to the Operating Fund as set forth in the CC&Rs, and shall disburse such funds as directed by the Board of Directors; keep proper books of the account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditure to be presented to the Membership at its regular annual meeting.

### **ARTICLE VIII: OPERATING FUND**

As more fully described in Article VIII of the CC&Rs, the Association shall create and maintain an Operating Fund. The purpose of the Operating Fund shall be as specified in the Articles of Incorporation and in the CC&Rs. The amount of the annual levy to establish and maintain the Operating Fund shall

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be determined by the Board of Directors, subject to the limitations imposed in the CC&Rs and based in part upon the average and usual annual expenditures for past years. In no instance shall said Operating Fund total more than a reasonable amount necessary to meet usual average costs for a period of eighteen (18) months.

#### **ARTICLE IX: ASSESSMENTS**

As more fully provided in the CC&Rs, each Member is obligated to pay promptly to the Association both annual and special assessments, all of which are secured by a continuing lien upon the Lot and any improvements against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring an action at law against the Property Owner personally obligated to pay the same or foreclose the lien agreement against the Property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Property Owner may waive or otherwise escape liability for the assessments provided for herein. The Board of Directors shall be entitled to record a notice of the lien of the Association for any assessment which is delinquent.

#### **ARTICLE X: RECORDS OF THE ASSOCIATION**

##### **Section 1. Inspection of Records**

The books, records, and papers of the Association shall at all times, during the regular business hours and upon reasonable advance notice to a Board Member, be subject to inspection by any Member. The CC&Rs, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any Member at the registered office of the Association, where copies may be purchased at reproduction cost.

#### **ARTICLE XI: SALE OR TRANSFER OF MEMBERSHIP**

##### **Section 1. Sale or Transfer**

Membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership, all as provided for in the CC&Rs. Whenever the legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of Membership in the Association. Transfer of an interest in the Association will not affect or change

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any existing or accrued obligations, and such new interest holder will not be personally liable for such obligations unless otherwise specified.

## **ARTICLE XII: AMENDMENTS**

These Bylaws may be amended or repealed by a vote of a two thirds (2/3) majority of the Members voting at the annual meeting, or at any special meeting called for that purpose; provided that notice of the proposed repeal or amendment is incorporated in the notice of such meeting and that a quorum is present at the meeting as defined in Article IV, Section 5 of these Bylaws.

## **ARTICLE XIII: MISCELLANEOUS**

### **Section 1. Fiscal Year**

The fiscal year of the Association shall begin the first day of July and end on the 30th day of June of every year. 

### **Section 2. Indemnification of Board of Directors and Association**

Each Member of the Board of Directors or officer of the Association shall be indemnified by the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon them in connection with any proceeding to which they may be a party, or in which they become involved by reason of their being or having been an officer or Member of the Board of Directors, or any settlement thereof, whether or not they are a Member of the Board of Directors or officer at the time such expenses are incurred, except in those cases wherein the officer or Board member is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association.

### **Section 3. Conflicts**

In the case of conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the CC&Rs and these Bylaws, the CC&Rs shall control.

### **Section 4. Interested Parties**

No transaction of the Association will be affected because a Member, Director, Officer, or Employee of the Association is interested in the transaction, provided full disclosure is made in advance to the Directors and Officers of the Association. Such interested parties will be counted for quorum purposes, and may vote, when the Association considers the transaction. Such interested

persons will not be liable to the Association for the party's profits, or the Association's losses from the transaction.

IN WITNESS WHEREOF, we, being the President and Secretary of the LA MESA HOMEOWNERS ASSOCIATION, INC., having adopted these Bylaws of the Association, have hereunto set our hands this 12 day of June, 1998.

Anne L. Lane  
President, La Mesa Homeowners Association

Will Parker Secretary, La Mesa Homeowners Association

### ACKNOWLEDGMENT

STATE OF NEW MEXICO)

) SS

COUNTY OF SANDOVAL)

The foregoing instrument was acknowledged before me this 12 day of June, 1998 by Anne L Lane and Will Parker of the La Mesa Homeowners Association, Inc., on behalf of said corporation.

[Signature]  
Notary Public

10-16-2001

My Commission Expires

### CERTIFICATION

The undersigned, do hereby certify: THAT I am the duly elected and acting Secretary of the La Mesa Homeowners Association, Inc., a New Mexico nonprofit corporation, and THAT the foregoing Bylaws constitute the Bylaws of the Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 28 day of June, 1998. IN WITNESS WHEREOF, I have hereunto subscribed my name this 12 day of June, 1998. 489:

Will Parker  
Secretary of the La Mesa Homeowners Association

STATE OF NEW MEXICO } SS
COUNTY OF SANDOVAL }
This instrument was filed for record at <u>3:09</u> A.M. P.M. on
JUL 17 1998
Recorded in Vol. <u>40</u>
of records of said county, folio <u>48922-48</u>
Ck. & Recorder <u>[Signature]</u>
Deputy <u>[Signature]</u>