

BY-LAWS
DELLWOOD HOMEOWNERS ASSOCIATION
SECTION 1
ORGANIZATION, PURPOSE, MEMBERS

- 1.0 ORGANIZATION: Dellwood Homeowners Association was incorporated as a non-profit organization September 21, 1981 under the laws of the state of North Carolina. The principal office of the Association shall be located in the home of the current Association President
- 1.1 PURPOSE: The purposes for which this Association is organized are to foster, maintain, and assure the privileges and responsibilities of the property owners in Section Four of Dellwood Subdivision, Henderson County, N.C., and to act within its scope of authority for the general welfare of its members and for the improvement of said subdivision and for the enforcement of building and use restrictions covering properties in said subdivision.
- 1.2 MEMBERS: Each Lot Owner shall be a member of the Association and shall remain a member until he or she ceases to be a Lot Owner in Dellwood. Membership does not include persons who hold an interest as a security for the performance of an obligation and the giving of a security interest shall not terminate the Owner's membership.
- 1.3 VOTING RIGHTS: By definition, members shall be Lot Owners. Each Lot Owner, in good standing, shall have one vote.
- 1.3.1 When there is more than one (1) Owner of a Lot, all of such persons shall be members of the Association but there shall only be one (1) membership and one (1) vote per Lot.
- 1.3.2 Where a member owns two (2) adjoining lots that have been combined with the Henderson County Tax Department, to make one lot, there shall only be one (1) membership and one (1) vote for the combined lots. If the combined lots are divided with the Henderson County Tax Department, then each shall be considered a single lot and treated as such.
- 1.3.3 If a Lot Owner is unable to be directly represented by a member at a meeting, said Lot Owner's vote may be submitted by a signed proxy or absentee ballot.
- 1.3.4 Before voting privileges can be suspended, the Association has to provide the Lot Owner with notice and the opportunity to be heard.
- 1.4 BY-LAW AMENDMENTS:
- 1.4.1 The By-laws of this Association may be amended by a simple majority vote of the members in good standing, at any annual or special meeting of the Association providing that the proposed amendments have been submitted to all members in good standing, not less than 10 days and not more than 60 days prior to the meeting. (See also Para. 2.4)
- 1.4.2 Changes and amendments to the By-laws may be submitted to the Board by any member at any time, and if approved by the Board, will be submitted by the Board for voting by

the members as provided for in Para. 1.4.1.

1.5 RESTRICTIVE COVENANTS AND CONDITIONS

- 1.5.1 Property owners of Dellwood shall be subject to and abide by the Covenants, limitations, restrictions, reservations and uses of Section Four Dellwood Subdivision.
- 1.5.2 The original Covenants of 1975 are filed in the Henderson County Land Office Deed Book 530, pages 118 through 122 of the Public Records of Henderson County, North Carolina.
- 1.5.3 Covenants of the year 2000 superseding the original covenants are filed in the Henderson County Land Office Deed Book 1029, pages 366 through 382 and Book 1030, pages 235 through 244.
- 1.5.4 Covenants of the year 2014, superseding the covenants filed in 2000, are filed in the Henderson County Register of Deeds Book 1585, pages 566 through 571.
- 1.6 FILES AND ARCHIVES: The official files and archives of the Association shall be kept in the possession of the President.

SECTION 2 - MEETINGS OF MEMBERS

2.0 MEETINGS OF MEMBERS

- 2.1 ANNUAL MEETINGS: An Annual Meeting of the Members shall be held in April for the purpose of electing Directors and Officers of the Association and for transactions of such other business as may be properly brought before the meeting. The Directors will give a status report on all projects undertaken during the past year.
- 2.2 SPECIAL MEETINGS: Special meetings of members may be called by the President or by a written request signed by at least 25% of the members eligible to vote. Such written request shall be delivered to the Secretary and shall state the purpose or purposes for which the special meeting is requested.
- 2.3 PLACE OF MEETINGS: The Board of Directors may designate any place within Henderson County as the place for any annual or special meeting.
- 2.4 NOTICE OF MEETINGS: The Notice stating the place and time of the meeting of members shall be delivered to each member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days prior to the date of such meeting. The notices shall be hand-delivered or sent prepaid by United States mail to the mailing address of each member or to any other mailing address designated in writing by the member, or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the member. In cases of special meetings, or when required by statute or these By-laws, the purpose or purposes for which the meeting is called shall be stated in the notice. (Also see Para. 1.4.1)

- 2.5 **QUORUM:** At any annual or special Meeting of the members, a quorum shall consist of a minimum of fifteen (15) eligible Lot Owners represented.

SECTION 3 – BOARD OF DIRECTORS

3.0 BOARD OF DIRECTORS

- 3.1 The business affairs of the Association shall be managed by its Board of Directors. The Directors must be residents of Section Four of Dellwood and members in good standing of the Association.
- 3.2 **NUMBER, METHOD AND TENURE:** The Board of Directors shall consist of seven (7) members; President, Vice-President, Secretary, Treasurer, Immediate Past President and two Directors.
- 3.2.1 **METHOD AND TERMS:** Officers and Directors shall be elected at the Annual Meeting for a term of two years. The retiring President will automatically become a Board member for a term of one year unless he/she declines in which case a third director will be elected at the Annual Meeting.
- 3.2.2 **TERM LIMITS:** There shall be no term limits on any officer or director with the exception of the President who may serve for a maximum of two consecutive terms, but may stand for election to the office of President after being out of that office for one or more terms.
- 3.2.3 **VACANCIES:** Board vacancies shall be filled for the remaining term by appointment and approval by a majority vote of the remaining Board members.
- 3.2.4 **METHOD OF ELECTION:** A nominating committee shall present a slate of officers and directors to the membership at the annual meeting. In addition, nominations for those positions shall be accepted from the floor and if seconded, shall be considered in voting, provided the person or persons so nominated shall state their willingness to serve.
- 3.2.5 **REMOVAL:** Any officer or director elected by the membership or appointed by the Board of Directors may be removed from office by a majority vote of the Board of Directors whenever such action is considered to be in the best interest of the Association.
- 3.2.6 **REGULAR MEETINGS:** Meetings of the Board of Directors shall be held thirty days prior to and within a two (2) week period following the annual meeting of members. The Board of Directors may hold additional meetings when deemed necessary.
- 3.2.7 **QUORUM:** A majority (5) of the Board of Directors shall constitute a quorum.
- 3.2.8 **COMPENSATION:** Board members shall receive no salary or other compensation for their services to the Association.

3.3 OFFICER DUTIES

3.3.1 President: The President shall act as follows:

- Act as Executive Officer of the Association.
- Direct and supervise all business Association business affairs.
- Preside at all meetings of Members and Board of Directors.
- Sign with other officers, deeds, mortgages, bonds, contracts and/or other instruments authorized by the Board of Directors. Signing exceptions shall be in cases where the signing and execution shall be expressly delegated by the Board, By-laws or statute to some other Officer or Agent of the Association.
- Other duties as deemed necessary.
- Appoint operating committees.

3.3.2 Vice-President: The Vice President shall act as follows:

- Perform the duties of the President in his/her absence or inability to act. When so acting, Vice-President shall perform the duties of the President, and shall have the powers of and be subject to the restrictions placed on the President.
- Perform other duties as assigned by the President or Board of Directors.

3.3.3 Treasurer: The Treasurer shall act as follows:

- Have charge of the funds of the Association together with all books and papers that pertain to his/her office.
- Prepare a financial report for presentation at the annual meeting.
- Provide status reports for the Board.
- Send dues/Annual Assessment notification to the membership.
- Perform other duties assigned by the President or Board of Directors.
- Prepare a proposed budget for the Board of Directors.

3.3.4 Secretary: The Secretary shall act as follows:

- Keep accurate and complete minutes of all meetings of members and the Board of Directors
- Issue all notices required by these By-Laws or caused to be issued by the Board.
- Maintain a complete register of all Member telephone numbers, post office and Email addresses.
- Perform other duties assigned by the President or Board of Directors.

3.3.5 Directors: Directors vote and act on measures brought before the Board and Accept assignments.

SECTION 4 – COMMITTEES

4.1 **OPERATING COMMITTEES:** The Board of Directors may designate one or more operating committees. Such committees shall be responsible to and report to the Board of Directors. The President shall appoint committees as follows:

- Covenant enforcement (Building Committee)
- Welcoming (visit new residents)
- Annual picnic
- Annual garage sale
- Annual meeting
- Sub Division Facilities (Drainage, water, power, etc.)
- Nominating for officers and directors
- Other committees as needed

4.2 **DISSOLUTION OF COMMITTEES:** The Board of Directors may dissolve any or all committees.

4.3 **NOMINATING COMMITTEE:** The President shall appoint a chairman and two (2) members of the Association sixty days prior to the annual meeting to serve as the Nominating Committee. The Nominating Committee shall submit to the annual meeting of members a slate of members willing to serve the following offices:

Past President, President, Vice President, Secretary, Treasurer, Two Directors

SECTION 5 – FINANCES

5.0 **FINANCIAL MANAGEMENT:**

5.1 **CONTRACTS:** The Board of Directors may authorize an officer or officers, agent or agents of the Association, in addition to the officer so authorized by these By-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances or cases.

5.2 **AUTHORIZATIONS:** No member (person) shall financially obligate the Association without prior authorization of the President or Treasurer. Such authorization is limited to \$150. Authorization in excess of \$150 shall require a majority approval vote by the Board of Directors.

5.3 **CHECKS, DRAFTS:** All checks, drafts or orders for the payment of money, notes, or other evidence of indebtedness shall be signed by the President, Treasurer or Secretary (See organization meeting minutes for authorized signatures and bank data).

5.4 **DEPOSITS:** All funds of the association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may designate.

- 5.5 INSPECTION: All books and records of the Association may be inspected by any member, or his agent, for any purpose, at any reasonable time.
- 5.6 FISCAL AND MEMBERSHIP YEARS: Association fiscal and membership years are defined as follows:
 - 5.6.1 The Fiscal year shall be the calendar year running from January 1 to December 31.
 - 5.6.2 The Membership year shall be the 12 month period beginning May 1 of each year.
- 5.7 AUDIT: The books and records of the Treasurer for the fiscal year shall be audited by two (2) Members appointed by the Board of Directors each year prior to the Annual Meeting.
- 5.8 ASSESSMENTS: In the event that any Lot Owner shall fail to pay any Assessment for any Membership Year, said Lot Owner shall have no voting rights in the Association until all Assessments are paid in full.
- 5.9 DISSOLUTION OF THE ASSOCIATION: In the event that the Association is dissolved, all monies remaining in the Treasury shall be donated to the United Way of Hendersonville County.