

Bylaws
of
Rattan Creek Neighborhood Association
As adopted by the Board of Directors on _____

These bylaws constitute the code of rules adopted by the Rattan Creek Neighborhood Association (hereafter “the Corporation” or “the Association”) for the regulation and management of its affairs. The Corporation is a nonprofit corporation organized under the Texas Business Organization Code (referred to as the “Code”).

ARTICLE 1
Registered Office and Registered Agent

Registered Office and Registered Agent - The Corporation shall comply with the requirements of the Code and maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Corporation’s principal office in Texas. The Board of Directors may change the registered office and the registered agent as provided in the Code.

ARTICLE 2
Purpose

- (1) As set out in the Corporation’s Certificate of Formation, “The Corporation is organized pursuant to the Texas Business Organizations Code. The purposes for which the Corporation is organized are exclusively charitable within the meaning of the Internal Revenue Service Code, Section 501(c)(3), and the Texas Tax Code, Section 11.18, and consist of the following:

To seek to improve the quality of life in the Rattan Creek neighborhood in matters such as land use, environmental protection, public services, consumer protection, taxation, property improvement and other matters of neighborhood concern.

- (2) The Rattan Creek Neighborhood Association will achieve this purpose by:
- a. Representing and advancing the interest of residents in the neighborhood.
 - b. Keeping all residents informed of issues vital to the neighborhood by appropriate communications and meetings.
 - c. Establishing Standing and Ad-Hoc Committees to investigate and make recommendations to the Association on all matters of neighborhood concern.
 - d. Seeking the improvement of single and multiple dwellings by both residents and absentee home owners and apartment owners.
 - e. Establishing mutual protection and safety
 - f. Improving safety of the streets through better traffic control.

- g. Providing a greater emphasis on inclusion of apartment dwellers as integral parts of the community, even though their tenancy may be of short duration.
 - h. Facilitating the education of residents regarding all available options open to them relating to the problems of home ownership, zoning, rights, etc.
 - i. Working toward development and preservation of natural green spaces, parks, trees, landscaping and general land use management.
- (3) Prohibitions:
- (a) The Association shall not endorse any candidate for political office.
 - (b) The identity of Association members shall be confidential and may not be released to nonmembers without permission of the members concerned.

ARTICLE 3 Membership

- (1) **Eligibility**
- (a) Membership in the Association shall be open to all households within the North Austin MUD No. 1.
 - (b) Membership shall be issued on the basis of the household as a unit upon payment of annual dues.
- (2) **Dues** in the amount of \$25.00 per household per year shall be payable at or before the second meeting of each fiscal year.
- (3) **Honorary membership** may be awarded to persons who have performed services which tend to further the purpose of the Association. The election of honorary membership shall be by majority vote. Honorary members shall have no vote.
- (4) **Voting**
- (a) Members of the Association present at any meeting shall be entitled to one vote per adult members (18 years or older) of the household (not to exceed two votes per household) on each matter submitted to a vote of the membership.
 - (b) An affirmative vote of more than fifty percent of the member households present shall be binding on the Association.
 - (c) To be eligible to vote for Association officers, members must have held membership in the Association for at least one week prior to the election.
- (5) **Member Meetings**
- (a) Meetings of the general membership of the Association shall be held on the third Thursday of every other month or on such a day as a majority of the member

households may agree. General membership meetings will normally be held during the months of January, March, May, July, September and November.

- (b) Special meetings may be called by the Executive Committee.
- (c) The privilege of holding office, introducing motions, floor debate, and voting shall be limited to members of the Association.

ARTICLE 4

Officers

Officers

- (1) **Roster of Officers** - The Corporation shall have a president, vice-president, secretary, treasurer and such other officers as may be determined and elected by the members. One person may hold two or more offices, except those serving as President or Secretary. The Officers shall comprise the Executive Committee.
- (2) **Election and Term of Office** - All officers shall be elected to from among the active membership. Each officer shall serve a one year term or until the next regular election is held. Elections shall be held by a show of hands or by paper ballots during the general meeting held in September of each calendar year. Officers-elect shall be installed at the first general meeting of the next calendar year. Officers can serve consecutive terms in the same office, and only one member of each household may serve on the Executive Committee at one time.
- (3) **Removal from Office** - Any Officer may be removed for cause, at any meeting by two thirds of the membership present providing that notice has been furnished to the membership at least two weeks prior to said meeting. An officer may be removed by the Board of Directors after not attending three consecutive meetings.
- (4) **Vacancies** - If a vacancy occurs during the term of office for any elected officer, for whatever reason, the Board of Directors shall elect a new officer from amongs the qualified members of the Association to fill the remainder of the term as soon as practical, by majority vote of Directors present.
- (5) **Nomination of Officers** - Nomination of officers shall be the responsibility of a Nominating Committee appointed by the Board of Directors. The committee shall nominate the successive slate of officers not later than two weeks before the election. The slate shall be posted for public viewing at two meetings.
- (6) **President** - The President will supervise and control the affairs of the Corporation, The President will perform all duties incident to such office and such other duties as may be provided in these bylaws or as may be prescribed from time to time by the Board of

Directors. The President shall preside at all board meetings and shall exercise parliamentary control in accordance with Roberts Rules of Order. The President shall serve as an ex-officio member of all standing committees, unless otherwise provided by the Board of Directors or these bylaws. The President shall, with the advice of the Board of Directors and in accordance with the requirements of these bylaws, set the agenda for each meeting of the Board of Directors. S/he shall co-sign all checks drawn on the account of the association. S/he is also given the right to approve all statements on behalf of the Association.

- (7) **Vice-President** - The Vice President shall act in place 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 board. The Vice-President shall serve as parliamentarian and interpret any ambiguities of these bylaws
- (8) **Secretary** - The Secretary will perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Certificate of Formation, or by these bylaws. S/he: shall attest to and keep the bylaws and other legal records of the Corporation, or copies thereof, at the principal office of the Corporation; shall take or ensure that someone takes minutes of all meetings of the committees and Board of Directors, and shall keep copies of all minutes at the principal office of the Corporation; shall keep a record of the names and addresses of the Directors at the principal office of the Corporation; shall, with the approval of the Board of Directors, set up procedures for any elections held by the Corporation; shall keep a record of all votes cast in such elections; ensure that all records of the Corporation, minutes of all official meetings, and records of all votes, are made available for inspection by any member of the Board of Directors at the principal office of the Corporation during regular business hours; shall see that all notices are duly given in accordance with these bylaws or as required by law; shall see that all books, reports, statements, certificates, and other documents and records of the Corporation are properly kept and filed. In the case of the absence or disability of the Secretary, or the Secretary's refusal or neglect to fulfill the duties of Secretary, the Vice President shall perform the functions of the Secretary.
- (9) **Treasurer** - The Treasurer will have charge and custody of all funds of the Corporation, will oversee and supervise the financial business of the Corporation, will render reports and accountings to the Directors as required by the Board of Directors, and will perform in general all duties incident to the office of Treasurer and such other duties as may be required by law, by the Certificate of Formation, or by these bylaws, or which may be assigned from time to time by the Board of Directors. S/he shall give to the Corporation a bond with one or more sureties for the faithful performance of the duties of the office and for the restoration to the Corporation--in the case of his or her death, resignation, retirement, or removal from office--all books, papers, vouchers, money, and other property of whatever kind in his or her possession or under his control belonging to the Corporation. The amount of the bond shall be determined by the Board of Directors. S/he and the staff of the Corporation shall devise a plan providing for the acceptance and disbursement of all funds of the Corporation which shall be approved by the Board of

Directors. The Treasurer, with the approval of the Board of Directors, shall set up all checking, savings, and investment accounts of the Corporation and deposit all such funds in the name of the Corporation in such accounts. The Treasurer's signature shall be the authorized signature for all checking, savings, and investment accounts of the Corporation unless the Treasurer, with the approval of the Board of Directors, designates another member of the Board of Directors or employee of the Corporation as the authorized signatory for a particular type of disbursement. S/he shall prepare a monthly report for the Board of Directors, providing an accounting of all transactions and of the financial conditions of the Corporation. S/he shall keep all financing records, books, and annual reports of the financial activities of the Corporation at the principal office of the Corporation and make them available at the request of any Director or member of the public during regular business hours for inspection and copying. The Treasurer shall co-sign all checks drawn on the account of the Association.

Article 5 Board of Directors

- (1) **Powers** - The Board of Directors (“Directors”) of this Corporation is vested with the management of the business and affairs of this Corporation, subject to the Texas Business Organizations Code, the Certificate of Formation, and these bylaws.
- (2) **Qualifications** - Directorships shall not be denied to any person on the basis of race, creed, sex, religion, or national origin. However, Directors must be active members of the Association. Employees of the Corporation are ineligible to serve on the Board of Directors.
- (3) **Number and Classes of Directors** - The Board of Directors will consist of the Officers of the Association comprising the Executive Committee and the Appointed Chairs of the following Committees:
 - a. Streets, Utilities
 - b. Greenbelt
 - c. Safety, Security and Health
 - d. Social Events
 - e. Architectural Control
 - f. Membership
 - g. School Activities
 - h. Publicity and Special Projects
 - i. Newsletter
 - j. Pool
- (4) **Term of Directors** - Directors shall serve terms of 1 and serve by virtue of his or being on the Executive Committee or as an Appointed Committee Chair.

- (5) **Resignation** - Any Director may resign at any time by delivering written notice to the Secretary or President of the Board of Directors. Such resignation shall take effect upon receipt or, if later, at the time specified in the notice.
- (6) **Removal** - Any Director may be removed without cause, at any time, by a majority of the entire Board of Directors, at a Regular or Special Meeting called for that purpose.. Any Director under consideration of removal must first be notified about the consideration by written notice at least five days prior to the meeting at which the vote takes place.
- (7) **Vacancies** - Vacancies shall be filled by majority vote of the remaining members of the Board of Directors, though less than a quorum and the Director filling the vacancy shall serve for the remainder of the term of the directorship that was vacated. Vacancies shall be filled as soon as practical.
- (8) **Compensation** - Directors and Officers shall not receive any salaries or other compensation for their services, but, by resolution of the Board of Directors, may be reimbursed for any actual expenses incurred in the performance of their duties for the Corporation. The Board shall establish a policy governing such potential reimbursements at the time it adopts its annual budget. The Corporation shall not loan money or property to, or guarantee the obligation of, any Director or Officer.

ARTICLE 6 Board of Directors Meetings

- (1) **Place of Board Meetings** - Regular and Special Meetings of the Board of Directors will be held at any place that the President may designate.
- (2) **Regular and Special Meetings** - Regular meetings of the Board of Directors shall be held monthly, or more frequently as deemed necessary by the Board of Directors. Special Meetings may be called by the President or any three Directors.
- (3) **Notice of Board Meetings** - Notice of the date, time, and place of Regular Meetings shall be given to each board member by regular mail, telephone (including voice mail), facsimile, or e-mail no less than 30 days prior to the meeting. Notice of the date, time, and place of special meetings shall be given to each board member using the same methods, but with no less than 5 days notice prior to the meeting, with the exception of special meetings held to amend the Certificate of Formation or bylaws, for which a 5-day written notice by mail or facsimile shall be required specifying the proposed amendment.
- (4) **Waiver of Notice** - Attendance by a Director at any meeting of the Board of Directors for which the Director did not receive the required notice will constitute a waiver of notice of such meeting unless the Director objects at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called or convened.

- (5) **Quorum** - A majority of the incumbent Directors (not counting vacancies) shall constitute a quorum for the purposes of convening a meeting or conducting business. At Board meetings where a quorum is present, a majority vote of the Directors attending shall constitute an act of the Board unless a greater number is required by the Certificate of Formation or by any provision of these bylaws.
- (6) **Actions without a Meeting** - Any action required or permitted to be taken by the Board of Directors under the Texas Business Organizations Code, the Certificate of Formation, and these bylaws may be taken without a meeting, if all Directors individually and collectively consent in writing or e-mail or facsimile, setting forth the action to be taken. Such written consent shall have the same force and effect as a unanimous vote of the Board.
- (7) **Duties of Directors** - A director shall discharge the director's duties in good faith, with ordinary care, in a manner the director reasonably believes to be in the best interest of the Corporation and in any other manner as set forth in the Code, as amended.
- (8) **Proxy** – Proxies shall not be allowed.

ARTICLE 7 Committees

- (1) **Executive Committee** - The President, Vice President, Treasurer, and Secretary of the Corporation shall constitute the executive committee. The executive committee shall have the authority to act on behalf of the Corporation in between Regular Meetings of the Board of Directors and such other business as may be referred to it by the Association. It shall appoint all committees and approve the work of such committees. The President shall act as chairperson of the executive committee. A majority of the Executive Committee shall constitute a quorum for the transaction of business, and all decisions shall be by majority vote of those present.
- (2) **Standing Committees:**
 - (a) The Standing Committees of the Association shall be:
 - a. Streets, Utilities
 - b. Greenbelt
 - c. Safety, Security and Health
 - d. Social Events
 - e. Architectural Control
 - f. Membership
 - g. School Activities
 - h. Publicity and Special Projects

- i. Newsletter
 - j. Pool
- (b) Each of the committees shall consist of the Chairman, appointed by the Executive Committee, and at least two members who will be appointed by the Chairman of the Committee.
 - (c) The Chairman of the Newsletter Committee will act as the Editor of the newsletter. The Editor will be responsible for the final content and integrity of the newsletter and has final authority as to its monthly content. \
 - (d) The Board of Directors may appoint a number of Block Representatives as they may deem appropriate from areas as defined by the Board.
 - (e) Tenure for all Committee Chairmen will be for one year, and each shall serve without pay, unless authorized by the membership. Committee Chairmen can serve consecutive terms if so appointed.

ARTICLE 8 Code of Ethics

The Corporation and its Directors and Employees will comply with the following Code in all of their actions. As long as the Corporation is in existence, no director, officer or employee of the Corporation shall:

- (a) do any act in violation of these Bylaws or a binding obligation of the Corporation;
- (b) do any act with the intention of harming the Corporation or any of its operations;
- (c) do any act that would make it unnecessarily difficult to carry on the intended or ordinary business of the Corporation;
- (d) receive an improper personal benefit from the operation of the Corporation;
- (e) use the assets of this Corporation, directly or indirectly, for any purpose other than carrying on the business of this Corporation;
- (f) wrongfully transfer or dispose of Corporation property, including intangible property such as goodwill; and
- (g) use the name of the Corporation (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of the Corporation's mission.

ARTICLE 9
Rules of Procedure

The proceedings and business of the Board of Directors shall be governed by *Robert's Rules of Parliamentary Procedure* unless otherwise provided herein.

ARTICLE 10
Executive Director

The Board of Directors may, upon resolution, appoint an Executive Director to serve at the board's discretion and to carry out whatever tasks the board from time to time resolves. The Executive Director shall be compensated as shall be determined by the Board of Directors. Subject to such supervisory powers as are vested in the Board of Directors, the Executive Director shall supervise, direct, and control the business of the Corporation and actively manage its business, and shall have such other powers and duties as may be prescribed by the Board of Directors or by these bylaws.

The Executive Director may engage in negotiations involving commitments of the resources of the Corporation or the acceptance of money or resources by the Corporation in furtherance of the purposes of the Corporation as set out in the Certificate of Formation and these bylaws. The Executive Director shall generally be expected to attend all meetings of the Board of Directors and Executive Committee.

ARTICLE 11
Indemnification

- (1) **Insurance** - The Corporation will provide indemnification insurance for its Board members, and the Board shall select the amount and limits of such insurance policy.
- (2) **Indemnification** - To the extent permitted by law, any person (and the heirs, executors, and administrators of such person) made or threatened to be made a party to any action, suit, or proceeding by reason of the fact that he is or was a Director or Officer of the Corporation shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorney's fees and disbursements, incurred by him (or by his heirs, executors or administrators) in connection with the defense or settlement of such action, suit, or proceeding, or in connection with any appearance therein.
- (3) **Limits on Indemnification** - Notwithstanding the above, the corporation will indemnify a person only if he acted in good faith and reasonably believed that his conduct was in the corporation's best interests. In the case of a criminal proceeding, the person may be indemnified only if he had no reasonable cause to believe his conduct was unlawful.

ARTICLE 12
Operations

- (1) **Execution of Documents** - Unless specifically authorized by the Board of Directors or as otherwise required by law, all final contracts, deeds, conveyances, leases, promissory notes, or legal written instruments executed in the name of and on behalf of the Corporation shall be signed and executed by the Executive Director and the President (or such other person designated by the Board of Directors), pursuant to the general authorization of the Board. All conveyances of land by deed shall be signed by the President or two other members of Executive Committee and must be approved by a resolution of the Board of Directors.
- (2) **Disbursement of Funds** - Financial Transactions which have a value of \$_____ or more if not included in the annual budget shall require majority approval of the Board of Directors if a majority of the Board of Directors is not immediately available to vote on the transaction. In all other transactions, the Executive Director may dispense with the funds of the Corporation in accordance with expenditures approved by the Board of Directors and the purposes of the Corporation as set out in the Certificate of Formation and these bylaws. Notwithstanding the above, all checks shall require the signatures of the President and Treasurer..
- (3) **Procurement Policy** - The Corporation shall adopt and abide by a procurement policy which shall be an addendum to these bylaws.
- (4) **Records** - The Corporation will keep correct and complete records of account and will also keep minutes of the proceedings of the Board meetings and Committees. The Corporation will keep at its principal place of business the original or a copy of its bylaws, including amendments to date certified by the Secretary of the Corporation.
- (5) **Inspection of Books and Records** - All books and records of this Corporation may be inspected by any Director for any purpose at any reasonable time on written demand. The Corporation shall keep correct and complete books and records of account.
- (6) **Deposits** - All funds of the Corporation shall be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the Board of Directors selects.
- (7) **Loans** – The Corporation will make no loans to any of its Directors or Officers.
- (8) **Fiscal Year** - The fiscal year of the corporation shall be the calendar year.

ARTICLE 13
Conflicts of Interest

- (1) The Directors of the Corporation owe a duty of loyalty to the organization which requires that in serving the Corporation they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Corporation. Directors must have undivided allegiance to the Corporation's mission and may not use their positions as Directors, information they have about the Corporation, or the Corporation's property, in a manner that allows them to secure a pecuniary benefit for themselves or their relatives (For the purpose of this policy. Relative means spouse, parents, siblings, children, grandchildren, the spouses of children and grandchildren, and any other blood relative, if the latter resides in the same household.)
- (2) Business transactions of the Corporation in which a Director has an interest shall not be prohibited, but they shall be subject to close scrutiny. Such proposed transactions shall be reviewed carefully to determine that they are in the best interests of the Corporation and that they will not lead to conflict of interest. For the purposes of this policy, a Director has an interest in a proposed transaction if he/she has a substantial financial interest in it, or has a substantial financial interest in any organization involved in the proposed transaction, or holds a position as trustee, director, general manager, or principal officer in any such organization. Prior to the start of any negotiations, or consideration of any project by the organization, Directors are expected to make full disclosure to the best of their knowledge of any substantial financial interest in a proposed transaction by submitting a report to the President or other officer designated by the Board to handle such matters, supplying any reasons why the transaction might not be in the best interest of the Corporation. In matters requiring prior approval of the Board of Directors, the President or other officer shall forward copies of this disclosure report to the Board before its approval.
- (3) A Director with a substantial interest in a proposed transaction shall not vote on the matter and, depending upon the circumstances, may be excluded from any discussion of the matter.
- (4) A Director shall not use inside information of the Corporation for his/her personal benefit, or use such inside information or his/her position as Director to the detriment of the Corporation. Inside information is information obtained through the Director's position that has not become public information.
- (5) Each Director has a duty to place the interests of the Corporation foremost in any dealings involving the organization and has a continuing responsibility to comply with the requirements of this Policy.

ARTICLE 14
Amendments

- (1) **Articles of Amendment** - The Board of Directors may adopt Articles of Amendment (amending the Certificate of Formation) by a vote of two-thirds of members present at a meeting where a quorum is present
- (2) **ByLaws** - These by-laws may be altered or amended in whole or in part, or repealed and new by-laws may be adopted by a majority of the Directors present at any meeting or any if at least three (3) days written notice is given of an intention to alter, amend, or repeal these by-laws or to adopt new by-laws at such meeting, and such notice contains a statement of the nature of the proposed amendment(s), and shall become effective upon adoption.

ARTICLE 15
Dissolution or Sale of Assets

A unanimous vote of the Board of Directors shall be required to dissolve the Corporation. Upon dissolution of the Corporation, any assets remaining after payment of or provision for its debts and liabilities shall, consistent with the purposes of the organization, be paid over to charitable organizations exempt under the provisions of Section 501 (c)(3) of the U.S. Internal Revenue Code or corresponding provisions of subsequently enacted federal law. No part of the net assets or net earnings of the Corporation shall inure to the benefit of or be paid or distributed to an officer, director, member, employee, or donor of the Corporation