

Westlake HOA

BYLAWS

ARTICLE I: NAME AND PURPOSE

Section 1. 01. Name. This nonprofit HOA shall be known as the Westlake HOA (HOA). Westlake HOA is registered with the North Carolina Secretary of State (SOS ID# 1759941).

Section 1. 02. Purpose. The purpose of the Westlake HOA is to

- Oversee and facilitate the maintenance of the subdivision entrances
 - Maintain liability and property insurance to cover maintained entrances
 - Establish and collect fees adequate to carry out the purpose of the HOA
 - Hire contractors and administrators sufficient to carry out the purpose of the HOA
 - Facilitate communication among the residents of Westlake
 - Organize neighborhood social activities
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ARTICLE II: DEFINITIONS

Section 2. 01. Westlake. Westlake shall mean and refer to property located in Wake County and City of Raleigh included in Westlake Village I, Westlake Village II, Westlake Commons, Woods of Westlake.

Section 2. 02. Board. Board shall mean and refer to the Board of Directors of the Westlake HOA.

Section 2. 03. Homeowner. Homeowner shall mean and refer to the owner, whether one or more persons or entities, of property in Westlake.

Section 2. 04. Household. Household shall mean and refer to Homeowners and leaseholders (Renters) of property located within Westlake.

Section 2. 05. Member. A member of Westlake HOA is a Homeowner. Multiple owners of any single property in Westlake will combine to collectively represent one vote for any Westlake HOA business.

ARTICLE III: MEMBERSHIP

Section 3. 01. Membership. All Westlake Homeowners are members of the Westlake HOA.

Section 3. 02. Member in Good Standing. A Member in Good Standing is current on annual fee payment.

Members in good standing may

- vote on Westlake HOA business
- hold an office on the Board of Directors
- participate in social events
- receive communication from the Westlake HOA
- serve on a committee

Section 3. 03. Member NOT in Good Standing. A member not in good standing is a member that is behind any dollar amount on payment of the annual fees for the time that he/she has owned the Westlake residence.

Members not in good standing may

- not vote on Westlake HOA business
- not hold an office on the Board of Directors

Members not in good standing may

- participate in social events
- receive communication from the Westlake HOA
- serve on a committee

Section 3. 04. Renters. Renters will have the same rights and restrictions as members not in good standing. The owner will maintain voting rights as long as fees are paid in full.

Section 3. 05. Communication. The Board of Directors will communicate with Homeowners by mailings and email. Homeowners may sign up to receive communication using the email distribution list.

Board member and committee chairperson contact information will be included on written communication from the HOA. Contact information may also be posted on neighborhood website and social media groups, if applicable. Contact information will only be posted if the site is private and the individual Board member or committee chairperson has given permission.

The Board does not communicate in an official role with Homeowners on Facebook or other social media. The Board does not monitor social media in anticipation of communications from Homeowners regarding HOA business.

ARTICLE IV: MEMBERSHIP MEETINGS

Section 4. 01. General Membership Meeting. A meeting of the general membership of the Westlake HOA will be held at the request of five or more Members in Good Standing. Requests must be signed and include a proposed meeting agenda and meeting location. The meeting request will be signed and delivered to a member of the Board.

Section 4. 02. Meeting Notice. Notice of general membership meetings will be sent to Homeowners subscribed to the neighborhood email distribution. The posting will state the date, time, and location of the meeting. Meeting information will be posted no less than five days prior to the date for each general membership meeting. The Board may alternatively send out written notices if the Board deems it appropriate.

Section 4. 03. Order of Business. The President, or, in the President's absence, the Vice President, will preside over all meetings of members. The Secretary will take the official minutes. If the elected Secretary cannot be present at a meeting, the President may appoint a temporary Secretary for that meeting. The most current revision of Roberts Rules of Order shall govern all meetings on any point not covered by these Bylaws.

ARTICLE V: MEMBERSHIP VOTING

Section 5. 01. General Membership Voting. One vote is allotted to each Household in Westlake. The vote allotted to each household may be submitted as one vote if adult members in that home are in agreement, or the vote may split into fractions that equal one vote (two votes for one home would count at ½ each).

One ballot per Household will be distributed by the Board. Ballots will contain a unique identifier to ensure that only allowable votes are cast. Voting deadline and instructions for returning the ballot will be clearly stated. Ballots submitted by Members not in good standing will be eliminated prior to ballot counting.

Section 5. 02. Quorum. A quorum is met when ten Members in Good Standing are present, one of which must be the President or Vice President. In the absence of a quorum the membership may not take action. In that event, any matter brought before the Membership at a meeting at which a quorum is not present shall be discussed and decided by the Board of Directors. A majority vote from a quorum shall be sufficient to carry a motion.

The Board officers vote during general membership votes. The President votes only in the event of a tie.

Section 5. 03. Voting by Proxy. The vote allocated to a Member in Good Standing may be cast by another individual if a written authorization (proxy) is presented prior to or with the vote. A letter authorizing a proxy vote must contain the specific issue being voted on, the address of the person giving proxy, the date, the signature of the person giving proxy and a third-party witness. A proxy expires one year after the signing unless it specifies a shorter term.

ARTICLE VI: ORGANIZATION AND OPERATION

Section 6. 01. Fiscal Year. The fiscal year of the Westlake HOA shall begin on the first day of January and end on the last day of December.

Section 6. 02. Budget. The Board of Directors shall approve an operating budget each year and present it to Homeowners. This budget shall be used to guide the activities of the HOA during the year, including serving as approval for anticipated expenditures. Any substantial deviation from the budget must be approved in advance by the Board of Directors.

Section 6. 03. Financial Report. The Treasurer shall present a financial report at each general membership meeting of the HOA and prepare a final report at the close of the year.

Section 6. 04. Audit. The financial practices and accounts will be reviewed annually by an audit committee. The audit committee shall consist of two or more individuals appointed by the President. The appointees may not be involved in the routine handling of the HOA's finances, including not having signature authority on bank accounts or approval authority over disbursements.

Section 6. 05. Obligations. The President, or in the absence of the President, the Vice President, may enter into contracts or agreements for the purchase of materials or services on behalf of the HOA. Contracts lasting more than six months and all unbudgeted items require approval from the Board of Directors.

Section 6. 06. Hiring of Residents. No Homeowner, Renter or Board member may be compensated for performing services on behalf of the HOA unless those services have been offered at least three contractors known to be able to provide the service, and the proposal for the Homeowner, Renter or Board member is at least ten percent lower than any other proposal, or unless the Homeowner, Renter or Board member is the only legitimate provider of those services.

Section 6. 07. Permanent Records. Permanent records of the Westlake HOA will be maintained on the Westlake HOA Google Drive. These records will contain financial records, meeting minutes and any documents that pertain to the nonprofit status or operating procedures of the HOA.

Section 6. 08. Document Review. The financial records, meeting minutes, and organizational documents of the HOA shall be subject to review by any Member. Copies may be purchased at a cost.

Section 6. 09. Covenants. There are three sets of covenants governing Westlake Village I, Westlake Village II and Westlake Commons. There are no covenants for Woods of Westlake or the homes. These covenants attach to property deeds and are binding on all Homeowners. The covenants were written and provided by the developers. Covenants are recorded with the Wake County Register of Deeds.

- Westlake Village I Covenants are recorded in Deed Book 3519, Page 334
- Westlake Village II Covenants are recorded in Deed Book 3765, Page 847
- Westlake Commons Covenants are recorded in Deed Book 007721, Page 00015

Copies are also available with written request to the President or person appointed by the President.

The developers of Westlake did not make provisions for establishment of an HOA in the covenants. Westlake HOA was formed by Homeowners who wanted to work together to enhance the quality of life in Westlake and maintain the established entrances. The HOA was not formed by the covenants and the covenants do not give oversight authority to the HOA. Only individual Homeowners have the authority to enforce the covenants against other Homeowners.

ARTICLE VII: COMMITTEES AND CHAIRPERSONS

Section 7. 01. Committees. Committees may be established by the President for specific assignments throughout the year. Committees and Committee Chairpersons serve at the request of the President and with the approval and support of the Board.

Section 7. 02. Chairpersons. Chairpersons report directly to the Board of Directors but are not required to attend Board of Directors meetings.

Section 7. 03. Landscaping Chairperson. The Landscape Chairperson solicits bids for landscape work and oversees maintenance at established entrances.

The Landscape Chairperson reports directly to the Board of Directors at each meeting of the Board of Directors and is encouraged, but not required to serve on the Board of Directors.

ARTICLE VIII: BOARD OF DIRECTORS

Section 8. 01. Board of Directors Composition. The Board of Directors will consist of a maximum of nine elected officers to include President, Vice President, Treasurer, Secretary and five members at large. The Landscape Chairperson is encouraged to serve on the Board of Directors as an elected member.

Section 8. 02. Powers and Authority of the Board of Directors. The Board of Directors will manage the concerns of the Westlake HOA and act on behalf of the HOA for routine matters.

The authority of the Board is as follows:

- Schedule Board and general membership meetings
- Conduct annual election of officers
- Establish annual HOA fee amount to ensure funding needed for expenses associated with the purpose of the HOA
- Invoice Homeowners for annual HOA fees to cover expenses associated with the purpose of the HOA
- Hire contractors for work needed by the HOA and terminate the contractor if unsatisfied with performance.

Section 8. 03. Officer Qualifications. Officers must be a Member in Good Standing. Committee chairpersons and committee members may be elected to serve as officers while serving a dual role as committee chairperson.

Only one person from a given Household may hold an elected office during a term of one year. However, family members may jointly hold an office, except the office of Treasurer.

Section 8. 04. Term of Office. Board members (other than President) may serve unlimited successive years with re-election required each year. It is preferred to have Homeowners rotate off the Board to give more Homeowners an opportunity to serve.

The term of office for the President will be no more than four successive years, with re-election required each year.

Section 8. 05. Vacancies. Vacancies in any elected office shall be filled by presidential appointment with approval by the remaining members of the Board of Directors, except in the case of the President. If the office of President should become vacant, it shall automatically be filled by the Vice President. If both the President and Vice President positions are vacant, any Board member except the Treasurer may serve the remainder of the unexpired term to which appointed.

Section 8. 06. Removal from Office. Any Board member may be removed from office by a vote of at least fifty-one percent (51%) of all filled Board positions.

Section 8. 07. Nominations. Prior to creation of a slate of officers, the President will notify the general membership that nominations are being accepted for volunteers to run for election for the Board of Directors.

The President is responsible for creating a slate of officers to present to the membership for election. The President may create a nomination committee to assist with nominations.

Section 8. 08. Election of Officers. Ballots will allow for write in candidates but only those who have consented to serve shall be eligible for election. Ballots will contain a unique identifier to ensure that only allowable votes are cast. Ballots will be distributed to Membership by postal mail or electronic mail no less than two weeks prior to election. Members may vote for up to nine (9) officers. Members will return ballots as directed.

Election requires a majority vote of ballots that are returned. If a tie occurs, the Outgoing Board will have the authority to determine the final results.

Section 8. 09. Compensation and Reimbursement. Board members shall serve without compensation with the exception that expenses incurred in the furtherance of the HOA's business are allowed to be reimbursed when receipts are submitted within six months of the expense.

ARTICLE IX: BOARD OF DIRECTORS MEETINGS

Section 9. 01. Board of Directors Meetings. Meetings of the Board will be held on a regular schedule, to be determined by each newly elected Board. The Board will meet a minimum of every quarter, but may meet more often. Special meetings can be called by any member of the Board. Notice of the meetings must be given to Board members at least two days in advance.

Meetings of the Board of Directors are open to Homeowners at the discretion and invitation of the President or Vice President. Members in good standing may request to attend a meeting by written request two or more days prior to a meeting of the Board of Directors.

Section 9. 02. Quorum. To make any decisions on behalf of the Homeowners, a quorum of Board members must be present. A majority of filled Board positions, but not less than four Board members shall constitute a quorum. Every vote taken by the Board must have a quorum. If a quorum is not present at a meeting, an email vote consisting of a quorum must be conducted following the meeting. The President votes only in the event of a tie or if needed to reach a quorum.

Section 9. 03. Action without Meeting. When it is not possible to hold a Board of Directors meeting, but an issue of immediate importance needs to be decided, the Board may make a decision using email voting. The voting results must be recorded and contain the date of the vote, the motion, Board members participating in the vote, and the outcome of the vote. Results of email votes will be filed with the meeting minutes for the year.

Section 9. 04. Participation in Meeting at Remote Location. Members of the Board may participate in a meeting through use of conference telephone, Zoom, or similar communications equipment, so long as members participating in such meeting can hear one another.

ARTICLE X: DUTIES OF OFFICERS

Section 10. 01. Scope of Responsibility. Officers are afforded flexibility, with approval by the President, in determining scope of responsibilities as needed to fulfill the purpose of the Westlake HOA.

The duties of the Board will be as follows:

- Ensure the entrance areas are maintained, repaired, and replaced as necessary.
- Protect Westlake assets.
- Manage the financial assets of the HOA in such a way as to ensure an optimal cost/benefit relationship is maintained for expenses.
- Keep a written record of all financial statements and Board activities.
- Supervise any people or contractors hired by the HOA and assure their duties are properly performed.

- Establish amount of annual fees considering expected expenses and maintaining a reserve fund for unexpected expenses.
- Invoice Homeowners for annual fees.
- Secure insurance in accordance with the purpose of the HOA.
- Communicate with Homeowners concerning business of the HOA and pertinent information. Communication shall be by postal mail or electronic mail and on a schedule deemed appropriate by the Board of Directors.
- Hold annual elections for new officers.

Section 10. 02. President. The President shall preside at all meetings of the Board. The President shall see that resolutions of the Board are carried out. The President shall sign all contracts and legal documents. The President may sign checks unless written to the President, in which case another authorized member will sign. The President is responsible for communication with Homeowners regarding actions taken by the Board.

Section 10. 03. Vice President. The Vice President shall complete the duties of the President in the event of the President's absence, inability or refusal to act, and may also have the authority to sign checks.

Section 10. 04. Secretary. The Secretary will record the minutes of all meetings and proceedings of the Board and of the General Membership, including records of all votes taken. The Secretary will provide the Board with copies of the minutes of each meeting. The secretary ensures that a copy of the minutes for each meeting and email vote is filed with the HOA documents that are maintained by the President. The Secretary shall perform such other duties as assigned by the President or the Board of Directors.

Section 10. 05. Treasurer. The Treasurer is the authorized custodian to have oversight of all funds of the HOA. The Treasurer shall receive all HOA monies and disburse such funds as directed by the Board. The Treasurer will organize, document, and record all financial activities. The Treasurer will be diligent and conscientious in ensuring all funds are received and spent in accordance with the HOA's tax-exempt purpose, bylaws and budget. The financial records belong to the HOA and must be available to the other officers and Members upon request.

The Treasurer shall:

- Prepare a financial review at the close of the year and present it to the general membership.
- Complete 1120-H for the IRS and form CD-405 for the North Carolina Department of Revenue.
- Complete IRS forms 1096 and 1099-NEC for any independent contractor hired by the HOA.
- Ensure that all funds are timely deposited in the HOA's authorized bank account(s).
- Ensure that payments and disbursements are authorized by approved budget, or an amendment to the budget.
- Present a written financial report (including income and expenditures and comparing budgeted amounts to actual year-to-date amounts), at each meeting of the Board of Directors and at other times as requested by the Board.

- Provide information requested by the Audit Committee as needed to complete the annual financial review or audit, as appropriate based on budget size.
- Maintain financial records and turn all over to the new treasurer.

Section 10. 06. Member at Large. Members at Large shall perform such duties as assigned by the President or the Board of Directors.

ARTICLE XI: BYLAW AMENDMENT

Section 11. 01. Amendments. These Bylaws may be amended or repealed; and new Bylaws may be adopted by an affirmative vote of two-thirds of the incumbent Board of Directors. Homeowners must be advised of any changes to these bylaws and a copy of bylaws must be provided to Homeowners if requested. The original document will be maintained in the permanent records of the HOA.

Dodie York

President, Board of Directors of Westlake HOA

6/6/2021

Date

STATE OF NORTH CAROLINA)

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Acknowledgment

COUNTY OF WAKE)

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I, a Notary Public for North Carolina, do hereby certify that Westlake HOA, by

Dodie York, its President, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 6th day of June, 2021.

Jennifer B. Hollerung

Notary Public for North Carolina

My Commission Expires: 6-7-2026

Jennifer B. Hollerung
 NOTARY PUBLIC
 Wake County, NC
 My Commission Expires June 07, 2026