

## Bylaws Revisions - What Changed and Why

The Board has completed a comprehensive update of the Association Bylaws to strengthen governance, improve clarity, and ensure alignment with New Mexico nonprofit law. Below is an overview of the major revisions and the reasons behind them.

### Association Purpose

**Why:** To clearly state what the Association exists to do and what members expect.

- The purposes now more accurately reflects the Association's mission—to *advance the common interests, well-being, and quality of life of the lot owners of record*, and to *enforce the units covenants that preserve the natural, architectural and environmental integrity of Sandia Heights*—collaborating with the ACC.

### Clearer definitions of “Lot Owner” and “Member” and Separated into Two Sections

**Why:** Members frequently asked for clarity on responsibilities and eligibility.

- Lots owners must read and comply with the recorded Unit Covenants.
- A “Member” is a lot owner current on Association dues.

### Member Responsibilities, Benefits, and Voting Rights

**Why:** To make expectations and rights easier to understand.

- Member responsibilities now include complying with duly adopted Association rules.
- Benefits are listed clearly for transparency.
- Voting rights remain the same; wording was clarified only.

### Officers

**Why:** To improve continuity, clarity, and leadership stability.

- The term of office is clearly defined as two (2) years.
- Duties of the officers clarified.
- Removal process for an Officer better defined.

### Meetings

**Why:** To make meetings more accessible and orderly.

- Fewer households required to petition a Special Meeting by the membership.
- Adding flexibility for meeting formats.
- New section defining methods of official communication.
- New section on meeting order and decorum applicable to **all** meetings.

### Board of Directors

**Why:** To strengthen governance, maintain continuity, and align with NM nonprofit law.

- Director responsibilities more clearly defined.
- Introduced the concept of Director “seats,” each with its own three-year term cycle to maintain staggered terms.
- Board size revised from 11-25 to eleven (11) minimum and fifteen (15) maximum positions.
- Vacancies are filled by Board appointment.
- If the Board fills a previously vacant Director position, the Interim Director and any other candidates shall stand for election by **majority vote** (no more plurality voting) at the next Annual Meeting.
- Interim Directors have full voting authority.
- Director election process clearly defined.

- New section clarifying Executive Sessions—when they may be used and what is reported in the minutes.
- “Closed Member” concept removed; meeting decorum rules govern.
- Meeting quorum is established at the start and remains for the entire meeting.
- Proxy and absentee voting for Directors eliminated.
- Expanded guidance on how and why and how a Director may be removed.

## **Committees**

**Why:** To reflect how committees actually function, support volunteers, and meet legal requirements.

- Clarified the difference between Standing Committees exercising Board authority (e.g., Executive Committee) and those that do not.
- Standing Committees not exercising Board authority have greater flexibility in composition and Chairs do not have to be Directors unless required by their Charter.
- Committee Members and Chairs are appointed by the Board per NM nonprofit law.
- New requirement for an annual review of each Committee, its membership, and its Charter.
- New section addressing committee member removal and vacancies.
- Updated descriptions; all committees continue to operate within Board-approved Charters.

## **Financial Management**

**Why:** To consolidate scattered financial rules and strengthen fiscal oversight.

- Expanded financial section now includes: Dues, Compensation and Reimbursement, and Indemnification.
- Defined voting requirement for indebtedness.
- Added a new section on inurement, clarifying that no volunteer may personally benefit financially.
- Added a section defining the budget process, reflecting current practice.

## **Amendments and Revisions**

**Why:** To provide clearer guidance for both members and the Board.

- Defined processes with more detail.
- Clarified authority, required notices and member-initiated proposals.

## **Dissolution**

**Why:** To comply fully with NM nonprofit law and SHHA’s Articles of Incorporation.

- New section outlining dissolution requirements and how assets must be distributed.

## **Compliance and Parliamentary Authority**

**Why:** To clearly state the legal and procedural framework governing the Association.

- Added a clear statement of compliance with NM Nonprofit Corporation Act.