

Glossary style:

1.1 Principal Office and Meeting Locations This says where the co-op's official main office is and where our meetings are held. Our address is the one listed in the Articles of Incorporation. Meetings of the Members and Board are held on the property. If weather or the health and safety of those attending makes it necessary, the Board may move a meeting to a nearby location within 10 miles that's reasonably convenient for members and follows all open meeting laws.

Section 1.1 – Principal Office and Meeting Locations

Original Text

1.1 Principal Office. The principal office of the Corporation shall be located at the known place of business of the Corporation designated in the Articles of Incorporation (the "Articles") or such other place as the Corporation may designate from time to time in accordance with the Arizona Nonprofit Corporation Act, but meetings of Members and Directors may be held at such other place within the State of Arizona as may be designated by the Board.

Proposed Rewrite

1.1 Principal Office and Meeting Locations. The principal office of the Corporation shall be located at the known place of business designated in the Articles of Incorporation, or at such other location as may be determined by the Board of Directors in accordance with applicable law.

Meetings of the Members and Board of Directors shall ordinarily be held on the Property in order to encourage Member participation, accessibility, and community involvement. If weather conditions, emergencies, accessibility concerns, technological failures, public health considerations, safety concerns, or other reasonable circumstances make it impractical or inadvisable to hold a meeting on the Property, the Board of Directors may designate an alternate physical meeting location not farther than ten (10) miles from the Property that is reasonably convenient to Members and compliant with applicable open meeting requirements and applicable law.

The Board of Directors may also authorize reasonable remote participation, electronic attendance, hybrid meeting procedures, electronic viewing access, or other lawful communication methods for Member or Board meetings, provided that such procedures preserve the orderly conduct of the meeting, transparency requirements, Member participation rights, and the integrity of any voting procedures authorized under these Bylaws and applicable law.

Why the Change

1. Modernizes meeting procedures while preserving the community-based structure. Meetings are still intended to occur on the Property whenever reasonably possible, preserving the cooperative's neighborhood-centered governance approach.
2. Adds flexibility for real-world situations. Expands beyond weather emergencies to include public health issues, accessibility concerns, emergencies, safety concerns, technological failures, and similar situations where holding a meeting on-site may not be practical or safe.
3. Allows lawful remote and hybrid participation. Gives the Board authority to authorize Zoom, livestreaming, hybrid attendance, or similar participation methods without needing future bylaw amendments as technology evolves.
4. Protects transparency and Member rights. The rewrite expressly requires that any remote or hybrid procedures preserve orderly meeting conduct, transparency, Member participation rights, and voting integrity.
5. Keeps the local meeting requirement intact. Alternate physical meeting locations must still remain within ten (10) miles of the Property and reasonably convenient to Members.

Glossary style:

1.2 Defined Terms These are important terms (like “Member,” “Eligible Votes,” “Community Documents”) that have established meaning throughout the document(s). If the word isn’t explained in the bylaws, its meaning comes from the Occupancy Agreement.

Section 1.2 – Defined Terms

Original Text

1.2 Defined Terms. *Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Occupancy Agreement for the Corporation, as such Occupancy Agreement may be amended from time to time. As used in these Bylaws, the term “Eligible Votes” means the total number of votes entitled to be cast by Members as of the record date for determining the Members entitled to vote at a meeting or in respect of any other lawful action including, but not limited to, action by written ballot or written consent. As used in these Bylaws, the term “Community Documents” means the Articles, the Bylaws, the Occupancy Agreement and the Rules and Regulations of the Corporation, as they may be in effect from time to time.*

Proposed Rewrite

1.2 Defined Terms. As used in these Bylaws, the following terms shall have the meanings set forth below. These same definitions shall apply throughout all Community Documents of the Corporation. Where a term is used in another Community Document with a different or conflicting meaning, the definition set forth in these Bylaws shall control.

(a) "Articles" means the Articles of Incorporation of Consolidated Cooperatives of Scottsdale East, Inc., as amended from time to time.

(b) "Authorized Occupant" means an adult who resides in a Dwelling Unit with the written permission of the Member, who has been registered with the Corporation as required by these Bylaws and the Rules and Regulations, but who is not a Member and does not hold a Membership Certificate. An Authorized Occupant has no voting rights, no rights of succession to the Membership, and no equity or ownership interest in the Dwelling Unit or in the Corporation. An Authorized Occupant’s right to reside in the Dwelling Unit terminates immediately when the Member ceases to reside in the Dwelling Unit as their principal place of residence, for any reason including death.

(c) "Board" or "Board of Directors" means the governing body of the Corporation, elected by the Members in accordance with these Bylaws.

(d) "Bylaws" means these Bylaws of the Corporation, as amended from time to time.

(e) "Carrying Charges" means the monthly amount each Member is obligated to pay the Corporation, as established annually by the Board of Directors in the budget, representing that Member’s proportionate share of the Corporation’s operating expenses, reserves, and other authorized costs.

(f) "Common Areas" means all land, buildings, facilities, and improvements owned by the Corporation that are not part of any Dwelling Unit, including but not limited to courtyards, walkways, laundry facilities, pool areas, parking areas, landscaping, and the Corporation’s office.

(g) "Community Documents" means, collectively, the Articles, these Bylaws, the Occupancy Agreement, and the Rules and Regulations of the Corporation, as each may be amended from time to time.

(h) "Corporation" means Consolidated Cooperatives of Scottsdale East, Inc., an Arizona nonprofit corporation.

(i) "Director" means an individual elected by the Members to serve on the Board of Directors.

(j) "Dwelling Unit" means an individual residential unit within the Corporation's property, occupied by a Member under an Occupancy Agreement.

(k) "Eligible Votes" means the total number of votes entitled to be cast by Members in Good Standing as of the record date, whether cast in person, ~~by proxy~~, by written ballot, or by ~~written consent~~.

(l) "Good Standing" means a Member who is current on all Carrying Charges, fines, fees, and other financial obligations to the Corporation, and who is not under suspension of Member rights pursuant to these Bylaws.

(m) "Guest" means a person visiting a Dwelling Unit for fewer than thirty (30) days in a calendar year. Guests are not required to be registered with the Corporation. The Member is responsible for the conduct of their Guests under the Community Documents.

(n) "Member" means a person who has entered into an Occupancy Agreement with the Corporation and holds one Membership Certificate. A Member has the right to occupy a Dwelling Unit, to vote on matters submitted to the Members, and to succeed to or transfer the Membership in accordance with these Bylaws.

(o) "Membership" means the rights and obligations of a person who holds a Membership Certificate in the Corporation.

(p) "Membership Certificate" means the document evidencing a Member's ownership interest in the Corporation and right to occupy a Dwelling Unit under an Occupancy Agreement.

(q) "Occupancy Agreement" means the written agreement between the Corporation and a Member that grants the Member the right to occupy a specific Dwelling Unit, as such agreement may be amended from time to time.

(r) "Officer" means a Director who has been elected by the Board to serve as President, Vice-President, Secretary, or Treasurer.

(s) "Resident" means any person who lives in a Dwelling Unit, whether as a Member, an Authorized Occupant, or any other person occupying the unit for more than thirty (30) days in a calendar year. The term "Resident" is used in these Bylaws when a rule or obligation applies to everyone living on the property, regardless of their status as a Member or Authorized Occupant.

(t) "Rules and Regulations" means the Rules and Regulations of the Corporation, governing day-to-day conduct and use of the property, as adopted and amended by the Board of Directors in accordance with these Bylaws.

Why the Change

1. Fixes broken references

The current bylaws point to definitions in the Occupancy Agreement that don't always exist or are inconsistent. This update gives every important term a clear, agreed-upon meaning in the Bylaws themselves.

2. Defines who lives here and how

Creates three distinct categories — Member, Authorized Occupant, and Guest — so that everyone living on the property has a defined status with defined rights and limits. This closes a long-standing gap in our documents where the words "Member" and "Occupant" were used interchangeably, creating confusion about who has voting rights, who has succession rights, and who has the right to remain in a unit after a Member dies or moves out.

3. Unifies terminology across documents

The same words now mean the same things in the Bylaws, the Occupancy Agreement, and the Rules and Regulations. No more "Member" meaning one thing in one document and another thing somewhere else.

4. Creates a single source of truth

Definitions live in the Bylaws — the highest authority document. Other documents reference the Bylaws instead of trying to define terms on their own.

5. **Prevents document drift**

Because the bylaws are amended only by 2/3 member vote with a 120-vote minimum, no one — not a future board, not a future manager, and not a future rewrite — can quietly change the meaning of these terms without member approval.

6. **Reflects current practice**

These changes don't add new powers or restrictions. They document how the co-op already operates, in clear, modern language.

7. **Polishes legal phrasing**

Updates archaic wording to standard legal phrasing that reads more naturally when said aloud at a meeting.

Glossary style:

1.3 Hierarchy of Community Documents This is the tiebreaker. We have four governing documents — the Articles of Incorporation, the Bylaws, the Occupancy Agreement, and the Rules and Regulations. When they ever disagree with each other, this section says which one wins. Highest authority is the Articles, then the Bylaws, then the Occupancy Agreement, then the Rules and Regulations.

Section 1.3 – Hierarchy of Community Documents

Original Text

1.3 Conflicting Provisions. *In the case of any conflict between the Articles and these Bylaws, the Articles shall control.*

Proposed Rewrite

1.3 Hierarchy of Community Documents. In the event of any conflict between or among the Community Documents, the following order of authority shall govern and control, from highest to lowest:

- (a) the Articles of Incorporation;
- (b) these Bylaws;
- (c) the Occupancy Agreement; and
- (d) the Rules and Regulations.

Where a conflict exists, the provisions of the higher-ranking document shall prevail.

Why the Change

1. Expands the rule to cover all four documents

The original only addressed conflicts between the Articles and the Bylaws. Our co-op has four governing documents that work together — and we already know they don't always agree. This update gives every possible conflict a clear answer instead of leaving it up to guesswork.

2. Establishes a clear chain of authority

From highest to lowest: Articles → Bylaws → Occupancy Agreement → Rules and Regulations. This matches how Arizona law treats these documents and how legal experts recommend cooperatives organize their authority. No more arguments about which document wins.

3. Protects member rights

Member rights live in the Bylaws and the Articles — the two highest documents. Day-to-day rules live in the Rules and Regulations — the lowest. This hierarchy means a board can't quietly strip member rights by writing a new rule that contradicts the Bylaws.

4. Solves the document drift problem

Over time, documents get edited at different paces by different people. Without a hierarchy, contradictions stack up and no one knows what's actually in effect. This section makes the answer automatic.

5. Modernizes the language

"In the event of" reads more naturally than "in the case of," and "shall govern and control" is the standard phrasing in modern bylaws.

6. Renames the section to match what it does

"Conflicting Provisions" describes a problem. "Hierarchy of Community Documents" describes a solution. The new title tells anyone reading the bylaws exactly what this section is for.

Glossary style:

1.4 Fiscal Year This sets our financial year. We run on the regular calendar: January 1 through December 31. That's the period used for budgets, reports, and audits.

Section 1.4 – Fiscal Year

Original Text

1.4 Designation of Fiscal Year. *The fiscal year of the Corporation shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Corporation.*

Proposed Rewrite

1.4 Fiscal Year. The fiscal year of the Corporation shall begin on January 1 and end on December 31 of each year.

Why the Change

1. **Shorter, cleaner heading**

“Designation of Fiscal Year” → “Fiscal Year.” Same idea, less clunky.

2. **Modern, simple date format**

“The 1st day of January” → “January 1.” “The 31st day of December” → “December 31.” Reads cleaner on screen and out loud.

3. **Removed an outdated historical clause**

The original included a special note about “the first fiscal year.” That first fiscal year ended decades ago when the co-op was originally incorporated. The clause no longer serves any practical purpose, so we cleaned it out.

4. **No substantive change**

Our fiscal year is still January 1 through December 31. This section is just a calendar setting — not a power shift.

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