

BYLAWS OF THE  
EL RANCHO LOMA SERENA HOMEOWNERS ASSOCIATION

(Reflecting amendments through May 2011)

ARTICLE I

Place of Business

The principal office for the transaction of business of the corporation shall be located in the County of Calaveras, State of California. The Board of Directors is hereby granted full power and authority to change said office from one location to another in said county.

ARTICLE II

Membership

Persons eligible to membership are the owners of acreage in the subdivision to be known as El Rancho Loma Serena, Units 1, 2 and 3, County of Calaveras, California, and membership is appurtenant to the land in the subdivision. Any transfer of ownership in the land shall automatically transfer membership in this corporation to the transferee.

When acreage is owned of record in joint tenancy or tenancy in common or as community property, or when two or more persons are purchasing subdivided acreage, the membership shall be joint and be entitled to only one vote. If a vote is entered by one of the individuals eligible to vote, it shall be deemed to be a valid vote for all unless and until it is challenged by another who is entitled jointly to exercise this vote, in which event a majority of those eligible to exercise the joint vote will be necessary in order for the vote to be valid ballot.

There shall be only one class of membership as hereinabove specified.

ARTICLE III

Directors

Number

The authorized number of directors of this corporation shall be five including the president, vice-president, secretary and treasurer which number shall be changed by a by-law duly adopted by the membership. (As amended Sept. 26, 1970, Amended May 2011, Recorded January 2012)

Election

Other than unexpected vacancies, the directors of this corporation shall be elected by ballot at the annual meeting of the members. The directors shall be divided into two classes, one class to consist of three (3) directors, the other class to consist of two (2)

directors. The term of office of the first class consisting of two (2) directors, shall expire in September 2011, at the day of the next annual election of this corporation; the term of office of the second class, consisting of three (3) directors, shall expire one year thereafter. At each annual election after such classification, the successors to the class of directors whose term shall expire in that year shall be elected director for a term of two years. No member shall serve more than two consecutive terms. (As amended 2002, Amended May 2011, Recorded January 2012)

#### Vacancies

Any vacancy or vacancies in the board of directors resulting from death, incapacity, resignation, expiration of term of office, removal, or otherwise, shall be filled by the remaining directors then in office even though less than a quorum or, if a vacancy occurs more than two (2) months before the annual meeting, the board may fill the vacated position with a qualified member by a majority vote of the board. (As amended Sept, 2002)

#### Qualification

Each director of this corporation shall be a member of the association in good standing, with dues current, and shall before taking office agree to faithfully carry out the provisions of the By-laws and the Declarations of Restrictions. (As amended Sept. 1982)

#### Powers

All corporate powers (subject to limitations of the articles and to the provisions of law requiring action to be authorized or approved by the membership) shall be exercised by or under the authority of, and the business and affairs of this corporation shall be controlled by its board of directors and, subject to the same limitations, the board shall have power:

- a. To select and remove all the other officers, agents and employees of this corporation, describe such powers and duties for them as may not be inconsistent with law, with the articles of incorporation or the by-laws, fix their compensation, and require from them security for faithful services.
- b. To conduct, manage and control the affairs and business of this corporation, and to make such rules and regulations thereof not inconsistent with law, with the articles of incorporation or the by-laws, as they may deem best.
- c. To change the principal office for the transaction of business of this corporation from one location to another within the county; to designate any place within the State of California for the holding of any directors or members meetings; and to adopt, make and use a corporate seal and to alter the form thereof from time to time as in their judgment they may deem best, provided such seal shall at all times comply with the provisions of law.
- d. To appoint an executive committee and other committees, and to delegate to the executive committee any of the powers and authority of the board in the management of the business and affairs of this corporation, except the power to

adopt, amend or repeal the by-laws. The executive committee shall be composed of two or more directors. Such other committees as the board of directors may appoint need not be composed of members of the board of directors.

- e. To determine, levy and assess annually the charges and assessments referred to in the restrictions of record and applicable to the property in the subdivision known as El Rancho Loma Serena, Units 1, 2 and 3, to fix the rates of such charges and assessments within the limitations fixed by said restrictions, and to expend all monies received on account thereof for the purposes enumerated in such restrictions and the articles of this corporation.
- f. To exercise for this corporation all power and authority vested in or delegated to this corporation by and such restrictions.

#### Compensation

The directors of this corporation shall receive no compensation for their services as such. It shall be the duty of the directors of this corporation:

- a. To cause to be kept a complete record of all their minutes and acts, and other proceedings of the members, and present a full statement at the regular annual meeting of the members showing in detail the assets and liabilities of this corporation and generally the condition of its affairs. A similar statement shall be presented at any other meeting of the members when required by members who are entitled to exercise at least one-half of the voting power of this corporation.
- b. To supervise all officers, agents and employees and to see that their duties are properly performed.
- c. To cause certificates of membership to be issued to the members of this corporation. All such certificates shall be signed by the president or vice-president and secretary and have the seal of this corporation affixed.

#### Place of Meeting

Regular meetings of the board of directors shall be held at any place within the state which has been designated from time to time by resolution of the board or by written consent of all members of the board. In the absence of such designation, regular meetings shall be held at the principal office of the corporation. Special meetings of the board may be held either at a place so designated or at the principal office.

#### Regular Meetings

Immediately following each annual meeting of members, the board of directors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meeting is hereby dispensed with.

Other regular meetings of the board of directors shall be held without call on the second Saturday of months October, January, April and July at 9 a.m. at the Ranch House; provided, however, that should said day fall on a legal holiday, then said meeting shall be held at the same time on the following Saturday. Notice of all such regular meetings of

the board of directors is hereby dispensed with. Two (2) absences during a one-year term of office shall result in automatic removal from the board of directors.

(As amended 1987, Amended May 2011, Recorded January 2012)

#### Special Meetings

Special meetings of the board of directors for any purpose or purposes shall be called at any time by the president, or if he is absent or unable or refuses to act, by any vice-president or by any two directors. Written notice of the time and place of special meeting shall be delivered personally to the directors or sent to each director by mail, USPS, electronic or other form of written communication, charges prepaid, addressed to him at his address as it shown upon the records of this corporation, or if it is not so shown on such records or is not readily ascertainable, at the place at which the meetings of the directors are regularly held. In case such notice is mailed or telegraphed, it shall be deposited in the United States mail or delivered to the telegraph company in the place in which the principal office of the corporation is located, at least forty-eight (48) hours prior to the time of the holding of the meeting. In case such notice is delivered as above provided, it shall be delivered at least twenty-four (24) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as above provided shall be due, legal and personal notice to such director. (As amended September 2002)

#### Notice of Adjournment

Notice of the time and place of holding and adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

#### Entry of Notice

Whenever any director has been absent from any special meeting of the board of directors, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to such director as required by law and the by-laws of this corporation.

#### Adjournment

A quorum of the directors may adjourn any directors meeting and meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any directors meeting either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the board.

### ARTICLE IV

#### Officers and Committees

The officers of this corporation shall be President, Vice-President, Secretary, and Treasurer, and such other officers as the board of directors may appoint. When the duties do not conflict, one person, other than president, may hold more than one of these offices. Architectural Review Committee: Shall consist of three (3) members, appointed by the board, including at least one (1) board member and at least two (2) persons who are owners and full-time residents of El Rancho Loma Serena. By-laws Committee: Shall

consist of three (3) or more members appointed by the president, including at least one (1) board member. Nominating Committee: Shall consist of three (3) or more members elected at the annual meeting. Roads Committee: Shall consist of three (3) or more members appointed by the president, including at least one (1) board member.  
(As amended 1979, 1982, May 2011, Recorded January 2012)

## ARTICLE V

### President

Subject to such supervisory powers, if any, as may be given by the board of directors to the chairman of the board, if there be such an officer, the president shall be the chief executive officer of this corporation and shall, subject to the control of the board of directors, have general supervision, direction and control of the business and officers of the corporation. He shall preside at all meetings of the members and (in absence of a chairman of the board, of if there be none) at all meetings of the board of directors. He shall be ex-officio a member of all the standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation.

## ARTICLE VI

### Vice President

In case of the absence of the president or inability to act, a vice president shall act as president.

## ARTICLE VII

### Secretary

The secretary shall keep a full and complete record of the proceedings of the board of directors, shall keep the seal of this corporation and affix the same to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be necessary or proper, shall supervise the keeping of the books of this corporation, and shall discharge such other duties as pertain to the office or as prescribed by the board of directors.

## ARTICLE VIII

### Treasurer

The treasurer shall receive and safely keep all funds of this corporation and *oversee* deposits the same in such bank or banks as may be designated by the board of directors. Such funds shall be paid out only on a check of this corporation signed by the officers

designated by the board of directors as authorized to sign the same. (Amended May 2011, Recorded January 2012)

## ARTICLE IX

### Meeting of Members

#### Place of Meetings

All annual meetings of the members shall be held at the principal office of this corporation, and all other meetings of members shall be held either at the principal office or at such other place within the County of Calaveras, State of California, which may be designated either by the board of directors pursuant to authority herein granted to said board, or by the written consent of all members entitled to vote thereat, given either before or after the meeting and filed with the secretary of this corporation.

#### Annual Meetings

The annual meetings of the membership shall be held on the second (2<sup>nd</sup>) Saturday in September at 1:00 P.M., provided however, that should said day fall upon a legal holiday, then any such annual meeting of members shall be held at the same time and place on the following Saturday thereafter ensuing which is not a legal holiday. Written notice of each annual meeting shall be given to each member entitled to vote thereat, either personally or by mail or other means of written or electronic communication, charges prepaid, addressed to such member at his address appearing on the books of this corporation or given by him to this corporation for the purpose of notice. If a member gives no address, notice shall be deemed to have been given him if sent by mail or other means of written communication addressed to the place where the principal office of the corporation is situated, or if published at least once in some newspaper of general circulation in the county in which said office is located. All such notices shall be sent to each member entitled thereto not less than ten (10) days nor more than sixty (60) days before each annual meeting, and shall specify the place, the day and the hour of such meeting. Such notice shall also state the general nature of the business or proposal to be considered or acted upon at such meeting.

(As amended September 2002)

#### Special Meetings

Special meetings of the members, for any purpose or purposes whatsoever, may be called at any time by the president or by any vice-president, or by the board of directors, or by one or more members holding not less than one-fifth of the voting power of this corporation. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members. Notices of any special meeting shall specify, in addition to the place, the day and hour of such meeting, the general nature of the business to be transacted.

### Adjourned Meetings and Notice Thereof

Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time at a vote of the members present in person or represented by a proxy at such meeting, entitled to exercise a majority of the voting power represented thereat; but in the absence of a quorum no other business may be transacted at such meeting.

When any members' meeting, either annual or special, is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

### Entry of Notice

Whenever any member entitled to vote has been absent from any meeting of members, whether annual or special, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such members as required by law and the by-laws of this corporation.

### Quorum

The presence, in person or by proxy, of members holding at least one third of the voting power shall constitute a quorum for the transaction of business at all meetings. If any meeting cannot be held because a quorum is not present, the members present, either in person or by proxy, may adjourn the meeting to a time not less than forty eight hours nor more than thirty days from the time the original meeting was called, at which meeting the quorum requirement shall be twenty percent of the voting power.

A quorum is not required for the election of directors.

The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, the withdrawal of enough members to leave less than a quorum. (Amended May 2011, Recorded January 2012)

### Proxies

Every person entitled to vote or execute consents shall have the right to do so either in person or by agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of this corporation; provided, however, that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless the member executing it specifies therein the length of time for which such proxy is to continue in force, which in no case shall exceed seven (7) years from the date of its execution.

### Voting

At the election of directors, each member shall have as many votes as there are vacancies on the board. The candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected. Cumulative voting is not permitted. (As amended Sept. 1982)

## ARTICLE X

### Certificates of Membership

Certificates of membership shall be available upon request, and of such form and design as the board of directors may adopt, and each certificate shall be signed by the president or vice-president and by the secretary or an assistant secretary, and shall set forth on its face its number, date of issuance, name of the member to which it is issued, and a statement of the rights of the member with respect thereto. (Amended May 2011, Recorded 2012)

## ARTICLE XI

### Transfer of Membership

Membership in this corporation shall be transferred or divided by the transfer or record of the ownership of all or part of the property to which the membership is appurtenant. Upon satisfactory evidence of such transfer, the membership of the transferor shall be marked cancelled on the books of this corporation as to the property so transferred, without requiring a surrender or cancellation of the transferor's certificate of membership, and a new certificate of membership may thereupon be issued to such transferee.

## ARTICLE XII

### Amendments

These by-laws shall be amended or repealed only by one of the following methods:

- a. by a two-thirds vote at a meeting of the members, provided that advance notice of the proposed change has been given, such notice shall be given not less than ten days nor more than sixty days prior to the meeting.
- b. by written assent of members entitled to exercise fifty-one percent of the voting power of this corporation with seventy-five percent of those approving.
- c. by a majority vote of the total membership of the organization. (As amended Sept 1979)

## ARTICLE XIII

### Bonding

#### Finances and Bonding

All monies due this corporation shall be made payable to the corporation and shall be deposited into either a checking account or a savings account. Said checking or savings accounts shall be in the name of the corporation and all funds shall be maintained at a bank or savings and loan association which is insured by the Federal Deposit Insurance Corporation (FDIC). Withdrawal of any funds deposited in the name of this corporation



shall require the signature of two (2) officers of this corporation. Any withdrawal of funds exceeding one hundred (100) dollars with the exception of those related to standard operating expenditures (examples: Garbage Collection, Propane, PG&E, Telephone,) requires the approval of a majority of the board of directors before said funds can be withdrawn. (Amended May 2011, Recorded 2012)

Any officer or individual handling any funds or property of the corporation shall be covered by a fidelity bond in an amount as determined by a vote of the board of directors and the cost of such bond shall be paid by the corporation. (As amended 1970)

#### ARTICLE XIV

##### Rules of Order

Unless and until otherwise provided, Robert's Rules of Order (Revised Edition) shall govern the conduct and procedure of all meetings.

The business of each meeting shall be conducted in the following order:

1. Roll Call of officers and directors.
2. Approval of minutes of last meeting by secretary.
3. Report of communications.
4. Treasurer's report and his recommendation for bills payable.
5. Report of directors.
6. Reports of committees.
7. Unfinished business.
8. New business.
9. Good of the club.

(Amended May 2011, Recorded January 2012)

#### ARTICLE XV

##### Fiscal Year

The fiscal year of this corporation shall be from July 1 to June 30. (As amended Sept 1976)

#### ARTICLE XVI

##### Liability for Dues or Assessments

Liability for dues or assessments for the construction, operation, development and maintenance of recreational facilities and other improvements in the recreational areas and to maintain private roads in the subdivision shall be as set forth in the Declaration of Restrictions of El Rancho Loma Serena filed on record in the office of the County Recorder, Calaveras County on the 7<sup>th</sup> day of May, 1969, in Book 278 at page 659.