

# BY-LAWS

OF

PANORAMA HEIGHTS PROPERTY OWNERS ASSOCIATION

## ARTICLE 1

Offices

Section 1.01 Definition, Functions and Responsibilities:

**The name of the Corporation shall be Panorama Heights Property Owners Association, Inc. It shall consist of all the real property included in Panorama Heights Subdivision No.1, Tulare County, California as recorded in Book 18 Page 1.0, Tulare County Records. It shall be referred to in these by-laws as the Corporation. The Principal office of the Corporation for the transaction of business is located in Posey, Tulare County, California.**

Section 1.02 The Corporation shall have three functions:

- (a) To establish and maintain a constant potable water supply.
- (b) To maintain the community streets in such condition as the members may desire.
- (c) To perform any other community service that the members may desire

Section 1.03 The total legislative power of the corporation shall lie with the members. The Board of Directors shall administer the affairs of the Corporation in accordance with the will of the members.

## ARTICLE 2

Membership

Section 2.01 Membership in the Corporation runs with the land. All property owners are members.

Section 2.02                   Classes of membership. There are two classes of membership – privileged and non-privileged. Privileged members are those whose assessments are current. They have the right to use community water, to vote in community meetings and to hold office. Non-privileged members are those whose assessments are delinquent. They may not tap into the community water supply, vote, or hold office. When a non-privileged member brings his/her assessments current, he/she immediately becomes privileged.

Section 2.03                   The Board of Directors shall maintain a current list of members, their property description, their address, and the status of their assessment payments. Members shall be responsible for informing the Board of Directors of their current addresses.

Section 2.04                   Membership is non-transferable or assignable except by transfer of ownership in the property.

Section 2.05                   Termination of Membership. Membership in this corporation shall terminate when a person ceases to be an owner of property within the defined area.

### ARTICLE 3 Financing

Section 3.01                   Assessments. The Corporation budget shall be financed by assessments levied on the members. There shall be three types of assents allowable. Annual assessments, special assessments, and hook-up fees.

Section 3.02                   Annual assessments. Annual assessments shall be voted by the members in their regularly scheduled annual meeting. The Board of Directors shall present a proposed budget for the consideration of the members. The members have final decision on the revision and adoption of the budget. There shall be two types of annual assessments, (1) non-water user, (2) water user. Non-water users shall pay for all community expenses except the production of water. Water users pay the same amount plus the expenses attributed to the production of water.

Section 3.03 Special assessments. Special assessments may be levied by the members only when circumstances or emergencies render the regularly adopted budget clearly unworkable. Special Assessments shall be voted upon in a Special Meeting called for this purpose.  
Section 4.02 Special Meeting.

Section 3.04 Hook-up Fees, The member may establish a reasonable one time fee which shall be paid by any member who taps into the community water system. When a non-water user wishes to hook up to the water system, he/she shall do three things: (1) inform the Board of Directors (2) Pay the hook up fee (3) tap into the community water system in such a manner as prescribed by the Board of Directors. Once a member pays a hook up fee or taps into the water main he/she immediately becomes liable for the water user assessment rate.

Section 3.05 Member Liability. Each water hook up shall constitute an assessment property and shall be liable for a water user assessment. Contiguous lots under one ownership, i.e. properties that touch on at least one side, shall be considered one (1) assessment property, regardless of the number of lots. In case of a conflict between the contiguous property rule and the number of hook ups rule, the hook up rule shall take up precedent. Non-contiguous lots under one ownership, shall be charged separate assessments. Lots divided by a community maintained road or by a lot of different ownership shall be considered non-contiguous.

Section 3.06 Payment of Assessments. Assessments are due when voted and delinquent ninety days (90) from that date. The Board of Directors shall prescribe reasonable procedures for billing and collecting assessments.

#### ARTICLE 4 Meetings of Members

Section 4.01 Annual Meetings. The membership at large shall convene at least once per calendar year. The purpose of this meeting shall be to: (1) elect members to the Board of Directors (2) approve a budget (3) vote the annual assessment (4) transact other community business as the members may decide. The date of the annual meeting shall be fixed by the members prior to the adjournment of the previous meeting.

- Section 4.02 Special Meetings. A special meeting of the membership may be convened by order of the Board of Directors or by a petition to the Board signed by twenty five percent (25%) of the privileged members.
- Section 4.03 Time and Place. For any meeting of the Corporation the Board of Directors shall:
- (a) Determine the time and place of the meeting.
  - (b) Notify the members at least thirty (30) days prior to the meeting date.
  - (c) Set the date of the Special Meeting no later than ninety (90) days from the date on which the decision to hold the meeting was made. The date on which a members petition is delivered to the Board shall be considered the date of decision.
- . Section 4.04 Quorum. The privileged members in attendance at any membership meeting constitute a quorum.
- Section 4.05 Presiding Officer. The Corporation president shall be the normal presiding officer at all meetings. In his absence, the vice president shall preside. In the absence of both, a president pro-tern shall be elected by the quorum. The secretary of the Corporation or a substitute appointed by the presiding officer shall act as secretary of each meeting.
- Section 4.06 Board of Directors Meetings. See Article 6.
- Section 4.07 Minutes. Minutes of each and all types of meetings shall be taken and filed with the corporate secretary.
- Section 4.08 The conduct of all meetings shall be governed by Roberts Rules of Order. A copy of these rules shall be present at each meeting. The presiding officer may appoint a parliamentarian at each meeting to settle procedural questions.

## SECTION 5

### Voting

Section 5.01 Voting Rights. Voting shall be by member family. A family member is defined as a person or persons, real or fictions, whose name or names appear on a deed within the Corporation. The family shall have one (1) vote regardless of how many deeds the family holds.

Section 5.02 Eligibility. Only privileged members may vote. The Corporate secretary and/or treasurer shall determine eligibility.

Section 5.03 Assignments. The executor or administrator of an unsettled estate shall have the same rights, privileges, and responsibilities of a voting member.

Section 5.04 Proxies. Privileged members may vote by proxy provided it is in writing and contains the following information: (1) the beginning and ending date (2) the name of the issuing member (3) the -lot and block number (4) the meeting or meetings that the proxy is intended. (5) the name of the person who is to vote the proxy (6) the signature of the issuing member. The proxy must be recorded with the meeting secretary prior to the meeting being called to order. Proxies shall be considered void and the vote disallowed if any of the eligibility rules of these By-Laws are violated.

Section 5.05 Manner of voting. Unless otherwise specified a simple majority of the quorum shall prevail. Normally all votes for Directors shall be by secret ballot, and all other votes shall be by show of hands. The members may demand a secret ballot on any Issue.

Section 5.06 Voting for Directors. In the case where there is an unfulfilled term for a Director ( i.e. due to death, sale of property, resignation etc.) the Board of Directors may appoint a privileged member to fill the vacancy until the next general election. At the next general election, votes for Directors shall be ranked as follows:

- (1) The nominees with the most votes shall hold the regular three year term
- (2) The nominees with the next highest total shall hold any two year terms being filled.
- (3) The next highest shall hold anyone year term being filled.
- (4) Should there be a tie the tied nominees shall hold a run off election. The loser of the run off shall take top position of the next lowest rank.

Section 5.07 Term Limits. Each elected director shall serve no more than six (6) consecutive years.

## ARTICLE 6 Directors

Section 6.01 Number. The Corporation shall have seven (7) directors. Collectively they shall be known as the Board of Directors and referred to as The Board.

Section 6.02 Qualifications. Each Director shall be a privileged member of the Corporation. If privileged status ceases for any reason, that Director shall be replaced by appointment or election.

Section 6.03 Duties and Responsibilities. It shall be the responsibility of the Board to perform the following duties to the best of its ability:

- (a) Perform all acts necessary to carry out the Corporate functions described in Article 1.
- (b) Act as agents of and for the members in performing its assigned tasks.
- (c) Manage and secure all Corporate assets for the general welfare of the members. This includes the negotiation of contracts; deposit of funds; payment of debts; acceptance of gifts or bequests presented to the Corporation; and the maintenance and safe keeping of physical property.
- (d) Render a complete report of its stewardship at the annual member's meeting.

Section 6.04 Governing Factors. In its dealings, the Board shall be governed by State and Federal laws and County ordinances; the Articles of Incorporation; these By-Laws; the will of the members, and sound and accepted business and ethical procedures.

Section 6.05 Meeting. The first meeting of each Board of Directors shall be held immediately after the adjournment of the annual meeting of members. The officers of the Corporation shall be elected by the Board at this meeting. Other meetings of the Board may be called by the president or by any three (3) Directors. Four (4) directors present shall constitute a quorum. Board meetings shall be open to the privileged membership, except that personnel meetings shall be closed sessions.

Sections 6.06 Resignations. Resignations from the Board must be in writing and

delivered to the Secretary of the Corporation.

Section 6.Q7 Cause for removal. Any Board member may be removed from the Board by a unanimous vote of the remaining Directors for the following causes:

1. Misappropriation of Corporate funds.
2. Theft of Corporate assets.
3. Failure to attend three (3) consecutive Board meetings.
4. Failure to perform assigned duties.

Section 6.08 Compensation. Directors shall serve without compensation.

## ARTICLE 7 Officers

Section 7.01 Titles. The officers of the corporation shall have the following titles: President, Vice President, Secretary and Treasurer. All officers shall be Directors and shall be elected by the Board.

Section 7.02 Duties of President. The President shall exercise general supervision of the affairs and activities of the corporation, shall preside at all meetings of the members of the Board at which he is present, and shall serve as an ex officio member at all committees. He/She shall be chief contracting officer of the Corporation and shall sign all contracts which commit Corporation funds.

Section 7.03 Duties of Vice President. The Vice President shall assume the duties of the President whenever the latter is absent or is unable or refuses to act.

Section 7.04 Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the members and the Board of Directors and shall be the custodian of all non-financial corporate records. He/she shall also keep a membership records containing the names and addresses of each member and, in any case where membership has been terminated record such fact in the records together with the date on which the membership ceased.

Section 7.05 Duties of the Treasurer. The treasurer shall maintain all Corporation financial records and receive, deposit and payout funds of the corporation. He/She shall prepare the annual Corporate financial report and other financial statements as may be required.

ARTICLE 8  
By-Laws

- Section 8.01 Effective Date. These By-Laws shall become effective immediately upon their adoption. Amendments to the By-laws shall become effective at the will of the members.
- Section 8.02 Amendment. Amendments may be proposed by any privileged member. The proposal shall be in writing and presented to the secretary of the Corporation. All such proposals must be included in the written agenda for the next annual meeting. Amendments shall be adopted at a regular annual meeting by a two-thirds (2/3) majority vote of the quorum.
- Section 8.03 Certification and Inspection. The original or a copy of the By-laws as amended or otherwise altered shall be recorded and kept in the Book of Minutes of the Corporation and shall be open for inspection by the members.
- Section 8.04 The fiscal year of the Corporation shall be from June 1st to May 31st inclusive.

revised 8/18/95 mal

Ratified by the Board of Directors on 08-19-95.

Members in attendance:

Hugh Pearson  
Harold Mott  
Don Kinch  
Jim Horton  
Mike Lahargoue  
Camilla Kinch

Ratified by the general membership 09-03-95