

# **CRYSTAL FALLS ASSOCIATION BYLAWS – 2006**

Including all amendments  
through December 18, 2008

Sexist language removed; approved February 1993  
Conformity with Tuolumne County present usage; “parcel”  
Instead of “lots, site, or building sites” approved February 1993,  
Developed or Undeveloped property.

# **CRYSTAL FALLS ASSOCIATION**

Bylaws 2006

Including all amendments through December 18, 2008.

## **ARTICLE I**

A. A developed or undeveloped property for the purpose of these Bylaws shall be one parcel as delineated on all final approved subdivision maps filed with the Tuolumne County Recorder on that certain real property set forth in the Articles of Incorporation of the Crystal Falls Association, and described as Crystal Falls Ranch.

B. In these bylaws, the words “Association” and “Corporation” refer interchangeably to the Crystal Falls Association, a California Corporation organized as a non-profit corporation.

C. Membership in the Association shall consist of two classes: regular and associate.

1. Regular members shall be the owner or owners of a parcel and their immediate family. When a parcel is owned of record in joint tenancy, tenancy in common, or community property, the membership and rights as to such parcel shall be joint.

2. Associate members shall be adult persons and their immediate family, who do not own a parcel in Crystal Falls Ranch, but who reside in Crystal Falls on a temporary or permanent basis in the residence of a regular member. They shall have the right to attend and speak at meetings of the Board of Directors. They shall not be entitled to vote or hold office, but they may serve on committees and in such a committee shall have a vote. Renters may obtain use of Association facilities upon presentation of a rental agreement and a letter from the parcel owner allowing their use rights and upon payment of a reasonable annual fee set by the board.

D. 1. Regular membership in the Association shall terminate when such a member shall cease to be the owner of a parcel.

2. Associate membership shall terminate when the Associate member either no longer pays the required dues, or no longer resides in Crystal Falls. It may be terminated at the discretion of the Board of Directors.

## **ARTICLE II – VOTING MEMBERS**

A. A voting member shall be an owner or co-owner of a parcel. There shall be one vote only for each parcel. In the event of co-ownership, the co-owners shall designate in writing who shall be the legal member and entitled to exercise the right to vote. The person who exercises the right to vote shall be called the legal member.

B. Only members in good standing shall be entitled to vote. Any member who is ninety (90) days or more delinquent in payment of dues and/or assessments shall be considered as not in good standing for the purposes of these bylaws.

## **ARTICLE III – PROPERTY RIGHTS AND INTEREST**

Each regular member of the Association shall have a property Interest in the Corporation as is represented by the ratio of the number of parcels owned by each member to the total number of parcels owned by members in said property described in Article I of these bylaws.

## **ARTICLE IV – BOARD OF DIRECTORS OF THE ASSOCIATION**

A. The Board of Directors shall consist of not less than three (3) persons, nor more than five (5) persons, all whom shall be adult voting members of the Association, in good standing. At any time the Board shall

include no more than one member of any Association member family. The number of members of the Board shall always be an odd number, and may be changed not more often than once every two (2) years by a majority approving vote of the Association members entitled to vote and voting.

B. A majority of the Board of Directors shall constitute a quorum, and a majority vote of the Directors present at a meeting, with a quorum established, shall be required for any action.

C. Actions of the Board of Directors shall be summarized and published regularly for the information of the members of the Association.

## **ARTICLE V – NOMINATIONS FOR DIRECTORS**

A. At the September Board Meeting the Directors shall appoint a chairperson to the Nominating Committee. She or he may recruit fellow committee members. Also, members-at-large may indicate the desire to be on the Nominating Committee. None of these shall be a Director. This Committee shall select by majority vote nominees for the Board of Directors, preferably more nominees than there will be vacancies. The names of the Nominating Committee shall be available from the Secretary, and any regular member may submit names of prospective nominees to the Committee.

B. Nominees must be adult regular members who are in good standing of the Association on a date at least ten (10) days prior to the printing of the ballot. If five (5) voting members submit to the Committee a written request for nomination of a regular adult member in good standing as noted above, the name of that member shall be included on the ballot. The Nominating Committee shall submit a written report to the Board listing all names of the nominees at the October Board Meeting.

## **ARTICLE VI – ELECTION OF DIRECTORS**

A. Directors shall be elected by secret ballot. The Board shall comply with current California State Law regarding election voting procedures as outlined in the Davis-Stirling Act and California Corporations Code. Such

person shall have no other connection with Crystal Falls or the Association, and shall be a Notary Public who can certify as to the number of ballots returned and the number of votes cast for each nominee, and shall give a written report of such findings to the President of the Board. The report of the election tally shall be opened and read at the next open Board meeting. Newly elected Directors shall take office January 1<sup>st</sup>.

B. Ballots shall be mailed 1<sup>st</sup> class by November 15<sup>th</sup> to all qualified voting members at their addresses as shown on the books of the Association. The final return receipt date for the ballots shall be December 15<sup>th</sup>.

C. Election to office shall be by plurality vote, regardless of the number of votes cast, so that those nominees who receive the higher number of votes shall be elected until all vacant offices of Director are filled.

D. A Director shall be elected to serve two (2) years or until a successor has been elected.

E. Two (2) Directors shall be elected on even numbered years and three (3) on odd numbered years so long as the number of Directors is five (5). If the number of Directors is changed, a comparable division shall be maintained, even though some Directors might not serve a full two (2) year term.

F. A Director may serve consecutive terms if he/she so chooses to run for re-election.

G. Deemed Elections if Insufficient Number of Candidates. If, for Any election of the Board of Directors as described in the Article VI, the number of duly-qualified candidates for directorate positions is less than or equal to the number of vacancies on the Board of Directors, then all duly-qualified candidates shall be deemed to have been duly and properly elected by the qualified voting members of the Association, as provided above in this Article VI, whether or not any ballots are actually cast by the voting members.

## **ARTICLE VII – RESIGNATION FROM THE BOARD**

Any member of the Board shall have the right to resign. A member of the Board of Directors who is absent from consecutive directors' meeting without due cause for a period of three (3) months shall have automatically terminated his/her position as a Director, whereupon the Board shall appoint another regular member to complete the term of office. If this vacated term is less than one year, the appointed Director may be nominated for Director at the time of the next election.

The election of a member of the Board of Directors may be rescinded and a successor elected by a majority of those voting by mail ballot of the membership, as provided by Roberts Rules of Order, revised Sec 34, and these bylaws.

## **ARTICLE VIII – MEETINGS OF THE BOARD OF DIRECTORS**

Regular meetings of the Board of Directors shall be held monthly at Crystal Falls Ranch, at such regular time, place and date as they shall specify. Only an initial notice of such regular meetings need be given. The Board, by resolution, may change the day of holding the regular monthly meeting.

## **ARTICLE IX – POWERS**

A. The powers of the Association shall be exercised by or under the authority of, and the affairs of the Association shall be controlled by the Board of Directors. Such powers shall be subject to the rights of members provided by the Articles of Incorporation and by these Bylaws, and by law, and subject also to the restrictions, provisions and limitations contained in the Declaration of Protective Restrictions.

B. The Directors shall have the power and duty:

1. To call special meetings of the members whenever they

deem it necessary. They also shall call such a special meeting at the written request of ten (10) percent of the regular members.

2. To appoint and remove at pleasure all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require from them security for faithful service.

3. To determine and levy the annual maintenance charge (dues) and any special assessments as provided in these bylaws and in the Articles of Incorporation. as specified in Article X (B).

4. To enter any residence or upon any parcel when necessary in connection with any maintenance or construction for which the Board of Directors is responsible, or in the event of an emergency. Such emergency shall be determined by the Board of Directors in their sole discretion.

5. To obtain an annual Report and Statement of Condition, prepared by a Public Accountant, of all receipts and disbursements of the Board of Directors, and mail a copy of this report and statement to each lot owner.

6. To cause certificates of membership to be issued to members of the Association.

7. To maintain the common areas and improvements thereon for the benefit of the members of the Association.

C. The Directors shall from time to time issue regulations and rules relating to and governing the use of the common areas and common facilities.

D. Directors shall receive no compensation for the performance of their duties as Directors, and shall not be an employee of the Association.

## **ARTICLE X – FEES, DUES AND ASSESSMENTS**

A. Members shall pay as dues a maintenance charge of not less than five (5) dollars per month, billed quarterly in advance, for each parcel owned.

this shall be used to carry on the general business of the Association. The amount of this charge shall be set annually by the Board of Directors.

B. Special assessments may be made by the Board of Directors when necessary to maintain the financial solvency of the Association. Such an assessment shall require the unanimous approval vote of the Board of Directors, and shall apply only in an emergency situation. Other assessments may be imposed by the membership by written ballot with resulting approval by the majority of those voting. Dues and assessments must be voted upon by the membership, if such vote *is* requested of the Board, in writing, by ten (10) percent of the membership.

C. All charges and assessments imposed and set in accordance with the provisions of this Article X shall be a lien on the respective properties of the members, in accordance with the provisions of the Declaration of Restrictions on the property.

D. Any member who becomes ninety (90) days or more delinquent in payment of dues and/or assessments shall lose the right of use of the Association facilities and voting privilege until payment is made.

A late payment penalty charge in accordance with current Davis-Stirling Act and California Law requirements not to exceed limits set by law, will be made.

## **ARTICLE XI – PRESIDENT**

A. The Board of Directors, at their first regular meeting, shall elect one of their members to act as president for a period of one year, and elect one of their members to act as vice-president. If at any time the president shall be unable to act, the vice-president shall take his place and perform his duties, and if the vice-president, from any cause shall be unable to act, the Board shall appoint some other Director to act, in whom shall be vested all the duties and functions of the office of president until the president or vice-president is again able to act. A duly-nominated and Board-elected president may not serve more than two consecutive years in office.

The President,

1. Shall preside over all meetings of the members and the Directors, and shall retain his right to vote as a member and Directors.
2. Shall sign as president all certificates of membership and all contracts and other instruments of writing which have been approved by the Board of Directors.
3. Shall have, subject to the advice and consent of the other Directors, direction of the affairs of the Corporation.
4. Shall discharge such other duties as may be required of him by these bylaws and by the Board of Directors.

## **ARTICLE XII – SECRETARY**

A. The Board of Directors shall elect a Director as Secretary.

1. It shall be the duty of the Secretary to keep a record of the proceedings of meetings of the Board of Directors and of the members.
2. She or he shall serve all notices required either by law or by the bylaws of the Corporation.
3. She or he shall keep the corporate seal of the Corporation, and shall affix said corporate seal to all papers requiring a seal.

## **ARTICLE XIII – TREASURER**

A member of the Board of Directors shall be elected as treasurer. He or she shall oversee the receipt of and deposition of corporate funds into such bank as the Board of Directors may direct. He or she shall ensure the correct disbursement of corporate funds. He or she shall be a member of the Budget Committee.

## **ARTICLE XIV – BOOKS AND PAPERS**

Books and such papers as may be placed on file by the vote of the members or directors shall, at all times during business hours, be subject to the inspection of any member.

These shall include the:

1. Articles of Incorporation.
2. The Declaration of Protective Restrictions.
3. The bylaws, as amended or otherwise altered to date.

## **ARTICLE XV – CERTIFICATE OF MEMBERSHIP**

Appropriate certificates of membership shall be issued as deemed necessary by the Board of Directors.

## **ARTICLE XVI – ANNUAL MEETING**

A. The annual meeting of the members of the Association shall be held in the County of Tuolumne, State of California, at Crystal Falls Ranch, during the summer months of June, July or August, at a time convenient and deemed to maximize attendance by the general membership, or at such other location and time in Tuolumne County as shall be designated by the Board of Directors. It shall be called by a notice in writing mailed to each voting member at said member's last known place of residence or business as shown by Association records. Such notice shall be deposited in the United States Post Office at Soulsbyville or at Sonora, Tuolumne County, State of California, at least twenty (20) days prior to the date of the meeting.

B. This annual meeting shall be held for the transaction of such business as may come properly before the members at the meeting. The members present at a duly called or held meeting may continue to do business until adjournment.

## **ARTICLE XVII – VOTING**

At any duly called Annual membership meeting proxies may be used. All proxies shall be in writing, dated, and filed with the Secretary prior to the meeting. Proxies shall be valid for two (2) years. Voting may be “viva voce” or by ballot. A motion, to be approved, must receive a simple majority of the legal votes cast. Proxies may not be used for mail ballots and mail voting. Voting must be in compliance with current Davis-Stirling Act and California Corporations Code requirements.

## **ARTICLE XV111 – SPECIAL MEETINGS**

Special meetings of the members may be called by the President and/or by a majority of the Board of Directors. A special meeting must be called at the written request often (10) percent of the voting members. Such a request must be submitted, with the reason therefore, to the Secretary. The meeting then must be held within 30 days of presentation of the request. The notice of any special meeting shall be given in the same manner as for an annual meeting, and shall include the place, date and hour of the meeting, and the reason for the call. Such meetings shall be held in Tuolumne County as specified for the annual meeting. Proxies may be used at special meetings.

## **ARTICLE XIX – BYLAW AMENDMENTS OR REVISION**

A. Amendments to these bylaws may be proposed by the Board of Directors, or by a written request submitted to the Board by 25 members in good standing.

B. These bylaws may be amended, revised or repealed by a majority approving vote of those members entitled to vote and voting. Such action may be voted by mail ballot or by membership at the Annual Meeting. When done by mail the text of the proposals shall be submitted along with a ballot and return envelope in the same manner as provided in the election of officers. Written copy of the text must be made available to members present and voting at the Annual Meeting.

## **ARTICLE XX**

Any and all rights vested in the Association by these bylaws, which rights are a lien upon the real property owned by the Association or its members, are subordinate or junior to any promissory note secured by a first deed of trust, whether said deed of trust is secured for a construction loan, conventional permanent loan, Federal Housing Administration insured loan or Veterans Administration insured loan.

## **ARTICLE XXI – PARLIMENTARY AUTHORITY**

The rules contained in the current edition of Roberts Rules of Order, newly revised, shall govern the Association in all cases to which they are applicable, and in which they are not inconsistent with these bylaws and any special rules or orders the Association may adopt.

## **ARTICLE XXII – SEAL CERTIFICATE OF OFFICERS**

We the undersigned, do hereby certify:

1. That we are, respectively, the duly elected President and Secretary of the CRYSTAL FALLS HOMEONERS ASSOCIATION, a California Corporation.
2. That the foregoing Amended Bylaws of the Corporation were duly adopted on the 18th day of December, 2008.

IN WITNESS WHEREOF, we have hereunto subscribed our names and affixed the seal of this corporation of this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

