

**BYLAWS OF THE  
PANORAMA HEIGHTS PROPERTY OWNERS ASSOCIATION  
P O BOX 302 POSEY, CALIFORNIA 93260**

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## ARTICLE 1

### Offices

- Section 1.01           Definitions, 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 10, 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 its 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 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           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 members brings assessments current, said member 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 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 The Corporation budget shall be financed by assessments levied on the members. There shall be three types of assessments allowable: Annual assessments, Special assessments and Hook-up fees.
- Section 3.02 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 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 members 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

hookup 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 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 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 Assessments are due when voted upon and delinquent ninety (90) days 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 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 constitutes 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-tem 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 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.

ARTICLE 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) 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:
- (a) The nominees with the most votes shall hold the regular three year term.
  - (b) The nominees with the next highest total shall hold any two year terms being filled.
  - (c) The next highest shall hold any one year term being filled.
  - (d) 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 be eligible to serve unlimited terms when re-elected by the membership.

## 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; deposits 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.

Section 6.06 Resignations – Resignations from the Board must be in writing and delivered to the Secretary of the Corporation.

Section 6.07 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, Treasurer, Trustee, Water Commissioner, Road Commissioner and Fence Commissioner. 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 shall be chief contracting officer of the Corporation and shall sign or authorize the secretary to 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 Treasurer – The Treasurer shall oversee and ensure the accuracy of all Corporation financial records and cause the creation of the annual corporate financial report and other financial statements as may be required.

- Section 7.05 Duties of the Trustee – The Trustee shall oversee the maintenance of the park and community common grounds.
- Section 7.06 Duties of the Water Commissioner – The Water Commissioner shall ensure an adequate supply of potable water, that all wells and tanks are maintained in good condition and that all tests are conducted and reports submitted as required by law.
- Section 7.07 Duties of the Road Commissioner – The Road Commissioner will ensure the association roads are maintained in a safe condition.
- Section 7.08 Duties of the Fence Commissioner – The Fence Commissioner will ensure the fence line of the community and cattle guards are maintained to prevent cattle from entering the community.
- Section 7.09 Duties of the Secretary - The Secretary shall be any person appointed by the Board of Directors to conduct any and all business as approved by the Board, keep the minutes of all meetings of the members and the Board of Directors and shall be the custodian of all corporate records. He shall also keep a membership record containing the names and addresses of each member and, in any case where membership has been terminated record such fact in the records. The secretary is not a director and as a compensated position is not a voting member of the Board.

## 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 to inspection by the members.

Section 8.04            The fiscal year of the Corporation shall be from June 1<sup>st</sup> to May 31<sup>st</sup> inclusive.

Revised 05/23/15 mal – Ratified by the Board of Directors on 05/23/2015

In attendance: Steve Asche, Joe Hively, Greg Boshears, Bill Adam, Jake Banducci, Dave Wedel, Shari Myrick, Keith Myrick  
Ratified by the General Membership at the Annual Meeting – May 24, 2015

PANORAMA HEIGHTS  
PROPERTY OWNERS ASSOCIATION

POLICIES, PROCEDURES AND  
ANNUAL DISCLOSURES

UPDATED AND APPROVED BY THE BOARD  
JUNE 2021

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**This policy manual outlines some of the rights and responsibilities of property owners in Panorama Heights. All changes to Association Policies are subject to approval by the Board of Directors.**

## ASSESSMENT COLLECTION POLICY

Prompt payment of Assessments by all owners is critical to the financial health of the Association and to the enhancement of the property values of our homes. Panorama Heights Property Owners' Association policy obligates the Board to enforce the members' obligation to pay Assessments.

The policies and practices outlined herein have been adopted by the Board to ensure a prompt and fair collection of delinquent Assessments. These policies and procedures shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors.

Therefore, the Panorama Heights Property Owners Association assessment practices and policies, are as follows:

### 1. OWNER'S OBLIGATION TO PAY ASSESSMENTS

Assessments, late charges, interest and collection costs, including any attorneys' fees, are the personal obligation of the owner of the property at the time the assessment or other sums are imposed.

### 2. ANNUAL ASSESSMENTS

Annual Assessments are due and payable on the first day of the second month of the fiscal year in advance (July 1<sup>st</sup>). Assessments become delinquent sixty (60) days (September 1st ) after the assessment due date.

A courtesy billing statement is sent each year to the billing address on record with the Association.

HOWEVER, IT IS THE OWNER'S RESPONSIBILITY TO PAY EACH ASSESSMENT IN FULL REGARDLESS OF WHETHER A STATEMENT IS MAILED OR RECEIVED.

### 3. OTHER ASSESSMENTS

All other Assessments, including Special Assessments, are due and payable on the date specified by the Board on the Notice of Assessment, which date will not be less than thirty (30) days after the Notice of the Special Assessment.

A Special Assessment shall be deemed delinquent sixty (60) days after the stated due date. Special Assessments shall be subject to a late charge and interest as provided on pg. 4.

#### 4. LATE FEES

Assessment payments which are not postmarked or received within the sixty (60) day grace period are delinquent and shall be subject to a one and one half percent (1.5%) late charge assessed on the first day of the first month of each subsequent quarter.

#### 5. INTEREST

Interest, at the rate of one and one half percent (1.5%) per quarter, will be assessed against any outstanding balance, including delinquent Assessments, late charges and cost of collection, which may include attorneys' fees.

Interest charges shall accrue sixty (60) days after the assessment becomes due and shall continue to be assessed the first day of each quarter until the account is brought current or until a Payment Arrangement Request form signed by the member has been received by the Association.

#### 6. REQUEST FOR A PAYMENT PLAN

Any owner who is unable to pay Assessments will be entitled to make a written request for a payment plan for consideration by the Board of Directors. An owner may also request to meet with the Board in Executive Session to discuss a payment plan if the Payment Plan Request form is mailed within fifteen (15) days of the postmark date of the pre-lien letter.

The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien on an owner's separate interest to secure payment for the owner's delinquent Assessments.

If the Board authorizes a payment plan, it may incorporate payment of ongoing Assessments that accrue during the payment plan period.

If a payment plan is approved, additional late fees for the homeowner will not accrue while the owner remains current under the terms of the payment plan. If the owner breaches an approved payment plan, the Association may resume its collection action from the time the payment plan was approved.

Nothing herein limits or otherwise affects the Association's right to proceed in any lawful manner to collect delinquent sums owed to the Association. See also the *Payment Plan Standards. (pg.8)*

#### 7. HOW PAYMENTS ARE APPLIED

Any payments made shall be first applied to Assessments owed and only after the Assessments owed are paid in full, shall payments be applied to late charges, interest, and collection expenses, if any, including attorneys' fees, unless the owner and the Association enter into an agreement providing for payments to be applied in a different manner.

#### 8. NO OFFSET

There is no right of offset. An owner may not withhold Assessments owed to the Association on the alleged grounds that the owner is entitled to recover money or damages from the Association for some other obligation.

#### 9. RETURNED CHECK FEES

An owner will be charged a twenty-dollar (\$20.00) fee for any returned check unpaid by the owner's bank.

#### 10. DISRUPTION OF WATER SERVICE

Any owner more than six (6) months delinquent in assessment fees may receive a thirty (30) day notice of "Intent to Disconnect" water service. During the thirty (30) day notice the owner may make payment in full or make payment arrangements according to Association policy to prevent the disruption. If acceptable payments are not made or arrangements not kept, water may be disrupted without further notice. Any member who has water disconnected due to delinquencies will be subject to a four hundred fifty-dollar (\$450.00) reconnection charge.

#### 11. SMALL CLAIMS COURT

Any owner more than one (1) year delinquent may be served to appear in Small Claims Court in an attempt to collect the delinquency. Served members will be responsible for all delinquent dues, late fees, filing fees, legal fees and/or any and all costs incurred by the Association's designated representative appearing in court.

#### 12. NON-JUDICIAL FORECLOSURE

The failure to pay Association Assessments may result in the loss of an owner's property without court action, often referred to as a non-judicial foreclosure. When using non-judicial foreclosure, the Association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the lien is not paid.

At least 30 days prior to recording a lien on an owner's separate interest, the Association will provide the owner of record with an itemized statement of the delinquent charges owed by the owner sent by priority mail. An owner has a right to review the Association's records to verify the debt. If the Association records a lien against an owner's property in error, the Association will record a lien release within 21 days at the expense of the Association.



### 13 DELINQUENCY & LEGAL NOTICES

#### 1<sup>st</sup> REMINDER

The first notice of past due assessment will be prepared and mailed once an assessment becomes delinquent.

#### 2<sup>nd</sup> REMINDER

The second notice of past due assessment will be mailed if the required payment has not been received within thirty (30) days of mailing the 1<sup>st</sup> Reminder.

### 14 PRE-LIEN LETTER

If an assessment is not received within ninety (90) days after the assessment becomes delinquent, the Association or its designee may send a Pre-Lien Letter to the owner by priority mail, to the owner's mailing address of record advising of the delinquent status of the account and impending collection action. Charges associated with the preparation of the Pre-Lien Letter will be considered a "cost of collection" and may be charged to the owner. Notwithstanding this provision, the Association reserves its right to issue a Pre-Lien Letter following delinquency but before expiration of the 90 days referenced above, when:

- (1) There is an open escrow involving the owner's lot; or
- (2) If a Special Assessment becomes delinquent.

### 15 RECORDING OF THE LIEN

If any owner fails to pay the amounts set forth in the Pre-Lien Letter within thirty (30) days of the date of the Pre-Lien Letter, the Board shall decide, by majority vote whether to authorize the recording of a lien for the amount of any delinquent Assessments, late charges, interest and/or costs of collection, including attorneys' fees, if any, against the owner's property. If the Association authorizes the recording of a lien against the owner's property, the owner will be charged for the fees and costs of preparing and recording the lien. The lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure.

### 16 ENFORCING OF THE LIEN

Once the lien has been recorded, the Association or its designee, may enforce the lien thirty (30) days after recordation of the lien and may foreclose the lien by non-judicial foreclosure sale when either:

- a. The delinquent assessment amount totals One Thousand, Eight Hundred Dollars (\$1,800.00) or more, excluding accelerated Assessments and specified late charges and fees; OR
- b. The Assessments are delinquent for more than twelve (12) months.

Owners could lose ownership of the subject property if a foreclosure action is completed and may also be responsible for significant additional fees and costs if a foreclosure action is commenced.

The decision to foreclose on a lien must be made by a majority vote of the Board of Directors in an Executive Session meeting.

#### 17 RELEASE OF LIEN

Prior to the release of any lien, or dismissal of any legal action, all Assessments, late charges, interest, and costs of collection, including attorneys' fees, must be paid in full to the Association.

#### 18 OWNER'S RIGHT TO INSPECT ACCOUNTING

An owner is entitled to inspect the Association's accounting books and records to verify the amounts owed by the property owner.

In the event it is determined that the owner has paid the Assessments on time, the owner will not be liable to pay the charges, interests, and costs of collection associated with collection of those Assessments.

#### 19 OWNER'S RIGHT TO DISPUTE RESOLUTION

Prior to initiating any foreclosure sale on a recorded lien, the Association shall offer delinquent homeowners the option of Dispute Resolution.

#### 20 DISPUTE RESOLUTION

The procedure provided in this section is fair, reasonable, and expeditious, within the meaning of this article.

Either party to a dispute within the scope of this article may invoke the following procedure:

(1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

(2) A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.

(3) The Association's Board of Directors shall designate a member of the Board to meet and confer.

(4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.

(5) A resolution of the dispute agreed to by the involved parties shall be noted in writing and signed by the parties, including the Board designee on behalf of the Association.

(c) An agreement reached under this section binds the parties and is judicially enforceable if both of the following conditions are satisfied:

(1) The agreement is not in conflict with law or the governing documents of the Association.

(2) The agreement is either consistent with the authority granted by the Board of Directors to its designee or the agreement is ratified by the Board of Directors.

(d) A member of the Association may not be charged a fee to participate in the process.

## PAYMENT PLAN STANDARDS

These payment standards are adopted to ensure a fair and reasonable approach for the Board in assisting owners with past due obligations and in promoting the identified objectives whenever possible.

### OBJECTIVES

The Board shall adhere to the below identified objectives during the process of evaluating and deciding an owner's Request for Payment Plan.

1. Refrain from the interference with ownership rights;
2. Never ostracize, belittle or otherwise impugn the integrity of a delinquent owner(s);
3. Promote a harmonious relationship between delinquent owner(s), the Board, and Association Members
4. Cure delinquency as soon as feasible; and
5. Respect the privacy of the delinquent owner(s)

### FACTORS FOR CONSIDERATION

The Board shall consider all relevant factors in determining a Payment Plan that both promotes the objectives identified on pg. 4 including, but not limited to, the following:

1. The circumstance, if any, which has caused the delinquency.
2. Financial, health or other hardship of owner(s)
3. Loss of employment, income or support.
4. Divorce or death
5. Current and future ability to pay.

### STANDARDS

The Board shall use the following standards when evaluating and deciding on an owner's request for a Payment Plan. The Board shall consider each Request for Payment Plan on a case-by-case basis.

1. The Board shall make best efforts to devise a Payment Plan that does not exceed twelve (12) months of payments.
2. The Board shall include in the payment plan any future Assessments which will become due during the payment plan period.
3. The Board retains the right to modify already agreed upon payment plans, upon application by an owner
4. The Board shall approve modifications to Payment Plans in exceptional cases, where there is a changed circumstance.
5. The Board shall not arbitrarily refuse a reasonable Payment Plan Request.
6. The Board cannot forgive an assessment.

#### TRANSFER OF OWNERSHIP

Any member selling or transferring the legal ownership of property is required to ensure that the new owners are provided with the Association By-Laws and Policy Manual prior to the close of escrow or grant deed transfer. The Association must be provided with notification prior to close of escrow or grant deed transfer. New title owner(s) legal name(s) and all contact information must be provided to the Association including: phone number(s), email address, mailing address and physical residential address, if different. A transfer of ownership fee of \$100.00 is required to be paid to the Association prior to the close of escrow or grant deed transfer. Failure to comply with this policy will result in water access disruption to the property and a fine of \$450.00. Water will not be reconnected until all conditions are met and fees are paid. Transfer fee will be waived in the event of members forming personal trusts or non-escrow grant deed transfer between family members.

#### WATER CONNECTION FEES

Members requesting water connection to Association water will be required to pay a one-time connection fee of \$250.00 prior to service connection.

#### MINUTES DISCLOSURE

Minutes, minutes proposed for adoption, minutes marked to indicate draft status, or a summary of the minutes, of any meeting of the Board of Directors of the Association, other than Executive Session, shall be available to members within thirty (30) days of the meeting. Minutes, proposed minutes, draft minutes, or summary minutes shall be distributed to any member of the Association upon request.

Copies of the minutes, proposed minutes, draft minutes or summary of minutes, may be obtained from the Association's Secretary.

#### FINANCIAL REPORT DISCLOSURE

The Board of Directors is required to notify all Association members of their right to receive the most recent Annual Financial Report.

A copy of the most recent Annual Financial Report may be obtained from the Association's Secretary.

## MEMBER NOTICE OF BOARD MEETINGS

Summary: The Board is required to give members a minimum of 4 days' notice before a Board meeting is held. The notice will be posted next to the mailboxes.

The Association shall give notice of the time and place of a Board meeting at least four days before the meeting. If a Board meeting is an emergency meeting, the Association is not required to give notice of the time and place of the meeting. Notice of a Board meeting shall be given by general delivery.

An emergency Board meeting may be called by the President of the Association, or by any two Directors other than the President, if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board.

Any member may attend Board meetings, except when the Board adjourns to, or meets solely in, Executive Session. The Board shall permit any member to speak at any meeting of the Association or the Board, except for meetings of the Board held in Executive Session. A reasonable time limit for all members of the Association to speak to the Board before a meeting of the Association is 10 minutes as established by the Board.

## COMMUNICATIONS POLICY

### GENERAL DELIVERY

The Association will post all "general delivery" notices on the PHPOA General Delivery Board by the mailboxes and send a notice to all members who provide an email address.

Any member may request to receive general notices by individual delivery by contacting the Association Secretary.

### ELECTRONIC COMMUNICATION

Members may request to receive a) all communication OR b) all communication except invoices and personal financial statements by e-mail.

The Association assumes no liability for misdirected or "hacked" e-mails. Members are advised that the Association does NOT use a secure or encrypted e-mail account and accept the risk inherent with communicating through the internet.

It is the member's responsibility to inform the Secretary if the e-mail address changes or is no longer the preferred method of communication.

### COMMUNICATIONS TO OWNER

Any and all communications to the owner as referenced herein will be made to the owner's mailing address of record. Owners have the right to request a secondary address for the purpose of receiving collection notices. The owner's request shall be in writing and shall be mailed to the Association in a manner that verifies the Association has received it. An owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

### COMMUNICATIONS TO THE ASSOCIATION

Any and all communications to the Association as referenced herein should be made by mail to PO Box 302 Posey CA 93260 or by e-mail to the Association Secretary or any Board Member.

### RECORDS AND DOCUMENT RETENTION

Governing documents, minutes, deeds to property owned by the Association and architectural plans are considered to be permanent Association records and are required by law to be maintained until the dissolution of the Association. All other records including banking, financial statements, member records, tax returns and member communication records will be retained for seven (7) years. The Secretary will cause all records older than seven (7) years to be destroyed in a secure manner.

### BOARD NOMINATION AND ELECTION POLICY

#### NOMINATION PROCEDURE

Any privileged member as defined in Article 2, Section 2.02 of the PHPOA bylaws may nominate or be nominated for election to the office of the PHPOA Board of Directors. Members must be privileged on June 1<sup>st</sup> to be eligible to participate in the nomination process.

1. The Secretary shall mail the Board Member nomination form no later than June 15<sup>th</sup> of the election year to the mailing address on file as designated by the members. It is each member's responsibility to ensure communication information on file is current and accurate.
2. Members may self-nominate by returning the nomination form to the Secretary by mail. The form must be **received** by the Secretary no later than July 15<sup>th</sup> of the election year. Nomination forms are only valid for the year received. A new form must be completed each year. Only PHPOA nomination forms are valid for the nomination process. Verbal nominations and any other form of nomination will not be valid.  
(cont.)

3. Members may only nominate another member with the prior approval of the member being nominated. A contact phone number or e-mail MUST be provided as proof of contact and to expedite the verification process. Nominations may be verified and can be voided at the request of the nominee. Limit of two nominations per privileged member.
4. Nominated members have the right to make a candidate statement. Statements must be limited to one page of standard size printer paper. Candidates have two options:
  - a. A statement may be provided for the Secretary to post on the PHPOA General Delivery Bulletin free of charge.
  - b. A statement may be provided to the Secretary that will be enclosed with the ballots mailed to the members. A fee of \$0.05 per ballot (approximately \$6.00) will be charged to cover printing costs.

#### ELECTION PROCEDURE

Any privileged member as defined in Article 2, Section 2.02 of the PHPOA bylaws is entitled to vote. Members are allotted one ballot per household determined by Association fees billed. Members must be privileged on July 15<sup>th</sup> to be eligible to vote.

1. The Secretary shall mail a ballot to every privileged member no later than July 15<sup>th</sup> of the election year. To ensure confidentiality, members must follow the enclosed ballot instructions exactly. Mailed ballots not received by August 25<sup>th</sup> may be submitted on the day of the Annual Membership meeting, prior to the start of the meeting. Members may request receipt of delivery at their own expense.
2. Two privileged members will be selected on a volunteer basis to serve as election inspectors at the Annual General Membership meeting. Inspectors must be privileged members and cannot hold a position on the Board or be a candidate on the ballots to be inspected or related to a Director or candidate. The inspectors will conduct the following process:
  - a. Each unopened envelope will be inspected and matched to a list provided by the Secretary to ensure eligibility to vote and that only one ballot has been submitted per household as previously stipulated. Any duplicate or unsigned ballots will be destroyed and will not be counted.
  - b. Ballots will be removed from mailing envelopes and separated from the mailing envelope to ensure confidentiality. Once all ballots have been separated from the mailing envelopes, the inspectors will open and count the ballots. The ballots and results will be given to the Secretary and stored for one year in accordance with civil code requirements.

## CODE OF CONDUCT FOR DIRECTORS

The Board of Directors has adopted the following ethics policy for its Board Members. This policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

### A. BOARD RESPONSIBILITIES

The general duties for Directors are to enforce the Association's governing documents, collect and preserve the Association's financial resources, insure the Association's assets against loss, and keep the common areas in a state of good repair. To fulfill that responsibility, Directors must:

- regularly attend Board meetings,
- review material provided in preparation for Board meetings,
- review the Association's financial reports, and
- make reasonable inquiry before making decisions.

### B. PROFESSIONAL CONDUCT

In general, Directors must conduct all dealings with vendors and employees with honesty and fairness, and safeguard information that belongs to the Association.

1. Self-Dealing. Self-dealing occurs when Directors make decisions that materially benefit themselves or their relatives at the expense of the Association. "Relatives" include a person's spouse, parents, siblings, children, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone who shares the person's residence. Benefits include money, privileges, Special benefits, gifts or other item of value. Accordingly, no Director or Committee Member may:

- solicit or receive any compensation from the Association for serving on the Board
- make promises to vendors unless with prior approval from the Board,
- solicit or receive, any gift, gratuity, favor, entertainment, loan, or any other thing of value for themselves or their relatives from a person or company who is seeking a business or financial relationship with the Association,
- seek preferential treatment for themselves or their relatives,
- use Association property, services, or equipment for the gain or benefit of themselves or their relatives, except as is provided for all members of the Association.



2. Confidential Information. Directors are responsible for protecting the Association's confidential information. As such they may not use confidential information for the benefit of themselves or their relatives. Except when disclosure is duly authorized or legally mandated, no Director may disclose confidential information. Confidential information includes, without limitation:

- private personal information of fellow Directors,
- private personnel information of the Association's employees,
- disciplinary actions against members of the Association,
- assessment collection information against members of the Association, and
- legal disputes in which the Association is or may be involved--Directors may not discuss such matters with persons not on the Board without the prior approval of the Association's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.

3. Misrepresentation. Directors may not knowingly misrepresent facts. All Association data, records and reports must be accurate and truthful and prepared in a proper manner.

4. Proper Decorum. Directors are obligated to act with proper decorum. Although they may disagree with the opinions of others on the Board, they must act with respect and dignity and not make personal attacks on others. Accordingly, Directors must focus on issues, not personalities and conduct themselves with courtesy toward each other and toward employees, managing agents, vendors and members of the Association. Directors shall act in accordance with Board decisions and shall not act unilaterally or contrary to the Board's decisions.

#### C. WHEN CONFLICTS OF INTEREST ARISE

Situations may arise that are not expressly covered by this policy or where the proper course of action is unclear. Directors should immediately raise such situations with the Board. If appropriate, the Board will seek guidance from the Association's legal counsel.

1. Disclosure & Recusal. Directors must immediately disclose the existence of any conflict of interest, whether their own or others. Directors must withdraw from participation in decisions in which they have a material interest.

2. Violations of Policy. Directors who violate the Association's ethics policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to immediate disciplinary action, including, but not limited to:

- censure,
- removal as an officer of the Board,
- request for resignation from the Board,
- recall by the membership

Prior to taking any of the actions described on pg. 14, the Board shall appoint an Executive Committee to investigate the violation. The Committee shall review the evidence of violation, endeavor to meet with the Director believed to be in violation, confer with the Association's legal counsel, and present its findings and recommendations to the Board for appropriate action. The Board shall endeavor to meet with the Director in Executive Session prior to imposing disciplinary action against that person.

#### D. PERSONAL INDEMNITY

Association Board of Director Members shall not be personally liable in excess of the coverage of insurance carried by the Association to any person who suffers injury, including, but not limited to, bodily injury, emotional distress, wrongful death, or property damage or loss as a result of the tortious act or omission of the Director if all of the following criteria are met:

- The act or omission was performed within the scope of the Director's Association duties.
- The act or omission was performed in good faith.
- The act or omission was not willful, wanton, or grossly negligent.

#### MEMBER CONFIDENTIALITY

Board members have a fiduciary duty to keep confidential information confidential. For most Executive Session matters, confidentiality should extend indefinitely. This includes personnel matters, an owner's delinquency payment plan, the identity of persons involved in disciplinary actions, and attorney-client privileged communications.

#### MEMBERSHIP LIST

To protect the privacy of our members, personal information including mailing address, e-mail address and phone numbers will not be made available to other members without the permission of the member. Members shall have availability to contact members of the Board of Directors directly. This may be by email, mailing address and/or phone number, at the discretion of the Board Member.

## RESIDENTIAL USE/SHORT TERM RENTAL POLICY

All lots and living units shall be used for residential purposes **ONLY**. No lease may be for less than thirty days and units are **NOT** to be used for hotel or transient purposes. No Airbnb, VRBO or similar vacation rental services are to be used by members for the purpose of renting or leasing of their property.

Any long term rental or lease of more than thirty (30) days of a residence shall provide that its terms are subject in all respects to the Bylaws, the rules and regulations of the Association, and the actions of the Board; that any failure of the lessee to comply with the terms of the foregoing shall be a default under the lease. A copy of the Bylaws and all Association rules and regulations shall be provided by the Owner to the Lessee at the time a lease is executed. Non-resident owners shall provide the Association with identification of all tenants and tenant contact information in writing within thirty (30) days after the change in occupancy.

## TREE POLICY

The potential for trees to fall, especially in the winter is a safety issue and can cause roads to be blocked and power and phone service lines to be brought down. The tree policy is to ensure the safety of members and provide a common understanding.

The Association has an easement of 10 feet on both sides from the center of all roads. The Association reserves the right to remove any trees that pose a safety hazard inside the "easement zone" that are mutually agreed upon by the Road Commissioner and Trustee. Trees in the easement zone are controlled by the Association and any wood will be disposed of at the discretion of the Board.

Trees not located in the easement zone are the responsibility of the owner of the property. If a tree falls and causes phone/power disruption or blocks a road, it is the owner's responsibility to resolve the issue. However, any member has the right to contact the phone and/or power company to remove a tree that is interfering with service. If the tree has not affected the phone or power line but is blocking the road, any member may contact the Secretary for permission to clear the road. The Secretary will attempt to contact the owner. If the owner cannot be reached, permission may be given to any member to clear the road up to the easement line and keep any wood from the effort. Members are responsible to provide a contact phone number to assist the Secretary in the notification process.

## Snow Removal Policy

The county is required to clear snow up to the mailboxes. All other roads inside the community are the responsibility of the Association and any cost associated with maintenance and snow removal is at the expense of the membership. The county is NOT responsible for the snow removal of community roads.

The Association currently contracts with Tulare County to plow community roads. The County Road Maintenance Manager controls the logistics of what roads they are willing to plow. The Association has no control over what roads the county deems "unsafe" or how quickly the county will plow community roads after a snowfall. **The Association does not provide any guarantee of access and/or egress to individual member homes during the winter.** The main artery roads of Guhl, Booth, James and Ridge will be plowed to provide general access and egress to the community as well as any additional roads that are approved by the county.

The Association has no policy preventing members from clearing roads in front of their residence. Any member who chooses to plow snow accepts the liability for any damages done to the roads or member property that may occur during snow removal and indemnifies the Association from liability of any damages that are incurred. Any member who chooses to hire another party to remove snow is liable for any damages caused by the contracted party. Members are strongly advised to obtain proof of liability insurance prior to the start of the work. The Board reserves the right to pursue any member responsible for damages done to Association roads by any means allowed by law.

## Damage to Association Property

Any person or member causing damage to Association Property i.e.: roads, water lines/valves, call-up systems etc. is responsible to reimburse the cost of the repairs to the Association.

Members are encouraged to contact a Board Member before any major excavation work on their property to help prevent any of the above damages.

## Wilbur Clark Park Rules & Regulations

Normal use Park hours: 9 a.m. – 8 p.m. daily

PHPOA is NOT liable for any theft, loss, damage done to personal property or physical injury. Users of the park accept all liability and by use indemnify the Association from all damages.

This community park is leased, maintained and regulated by the Association. All users are subject to the rules set forth in this policy manual. Please enjoy the park in a safe and courteous manner. All users are asked to respect others and to help keep the park clean. The Board reserves the right to prohibit use at any time. Any Board member observing violations of park rules may use their discretion to close the park and/or prohibit the offender from use of the park. Members who observe unsafe or illegal usage may contact the Tulare County Sheriff for assistance.

1. Users are required to take all trash with them when they leave.
2. Use of illegal drugs is not permitted at any time. No public intoxication allowed.
3. No indecent behavior or language will be tolerated. This is a family friendly park.
4. No open fires outside of grills allowed. Please observe all fire department permit/restriction requirements.
5. No fireworks
6. No weapons
7. No overnight camping
8. No driving inside the park. Parking is limited and users are asked NOT to block driveways. Drivers are not to block or restrict traffic moving through the area.
9. Excessive noise/loud music is restricted to conditional use permit only.
10. Users will be held liable for any damage done to park property.
11. Dog owners are responsible to maintain control of their pets at all times. Owners will be held liable for any damage done to park property or physical harm done to another pet or person. Dog waste must be picked up and removed by owners.
12. There are no public restrooms available in the park.

### Conditional Use Permit

The following exceptions are required to obtain a conditional use permit from the Association Secretary prior to use of the park.

1. Groups larger than 15 persons
2. Any person wishing to engage in commercial activities; e.g. Weddings, meetings, yard sales
3. Amplified sound or live music events