

# **Valley View Estates Property Owners Association Bylaws**

**Amended May 14, 2016**

TABLE OF CONTENTS	Page 1
DEFINITIONS	Page 2
ARTICLE I. NAME	Page 3
ARTICLE II. SEAL	Page 3
Article III. MEMBERSHIP MEETING	Page 3
ARTICLE IV. DIRECTORS AND OFFICERS	Page 4
ARTICLE V. VACANCIES	Page 12
ARTICLE VI. CORPORATE RECORD	Page 12
ARTICLE VII. MEMBERSHIP	Page 13
ARTICLE VIII. ANNUAL STATEMENT	Page 13
ARTICLE IX. AMENDMENTS	Page 13
ARTICLE X. DUES, ASSESSMENTS, BUDGET	Page 14
ARTICLE XI. FINANCIAL BOARD OF TRUSTEES	Page 14
ARTICLE XII. COVENANTS/BY-LAWS/RULE ENFORCEMENT AND PROCEDURES	Page 15

**Name.** The name of this corporation shall be Valley View Estates, POA, Inc., a Pennsylvania Non-Profit Corporation.

**Address.** The address of the corporation is 1295 State Rt. 534, Suite 2, Albrightsville, PA. 18210.

### **DEFINITIONS**

The following terms as used in these By-Laws are defined as follows:

1. "Association" means Valley View Estates, Inc., a Pennsylvania Non-Profit Corporation.
2. The "Board of Directors" or "Board" is the group of persons elected to regulate the business and affairs of the Association pursuant to the authority granted by these By-Laws.
3. "Common Areas" shall mean any and all real or personal property and easements and an interest therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of its members.
4. "Development" means all of the real property known generally as Valley View Estates, located in the Township of Penn Forest, County of Carbon, both in the Commonwealth of Pennsylvania.
5. "Lot" means any lot in the Development, the title of which is derived through Patten Development Corp., as shown and plotted on the original plats of Valley View Estates recorded in the Recorder of Deeds Offices of Carbon County, Pennsylvania. Improved lots are premises with single family dwelling.
6. "Lot Owners" means any natural firm, person, corporation, trust or entity who holds fee title to a lot or undivided interest in fee title to a lot.
7. "Member" means those persons having membership privileges in the Association in accordance with the provisions of these By-Laws.
8. "Dues and Assessments" whether used conjunctively or disjunctively shall mean any dues, assessments, penalties, fines, citations, late charges, interest, attorney's collection fees, costs of collection, legal costs of litigation, special assessments, fees and all other charges levied pursuant to the authority granted in these By-Laws.
9. "Declaration of Protective Covenants" means the Declaration of Protective Covenants, conditions, reservations, and restrictions running with the land, contained in deeds to lot owners granted by the developer and/or otherwise binding upon the lots within the Development as a result of a general scheme of development.
10. "Good Standing" as used herein shall be construed to mean full payment of dues and assessments as herein defined and compliance with these.

# **VALLEY VIEW ESTATES PROPERTY OWNERS ASSOCIATION, INC.**

## **ARTICLE I – NAME**

**Section 1** - The name of the corporation shall be, Valley View Estates Property Owners Association, Inc. (Herein after referred to within this document as, “The Association”).

**Section 2** - The address of The Association shall be, 1295 State Rt. 534, Suite 2, Albrightsville, Carbon County, PA 18210.

## **ARTICLE II – SEAL**

**Section 1** - The corporate seal shall have inscribed thereon the name of the corporation, year of its organization and the words “Corporate Seal, Pennsylvania”.

**Section 2** – The Board of Directors is mandated to safeguard the corporate seal of the Association and shall designate the Secretary of the Board as custodian of the Seal.

## **Article III – MEMBERSHIP MEETINGS**

**Section 1 – Place of Meetings.** Any meeting of the members of the association shall be held at such place, within 20 miles of VVE, determined by the board of directors of the association.

**Section 2 – The Annual, Semi Annual and Special Meeting.** The Annual, Semi Annual and Special Meeting of the association shall be held on Saturday or a supplementary day at such time, excluding holidays, selected each year by the board of directors. The secretary of the corporation at least 5 days before each meeting of the members shall complete a list of the members in good standing to vote at the meetings. The list will be arranged in alphabetical order by name of owners and lot number. This list shall be available for inspection by any member in good standing during the course of the meeting.

**A - The Annual Meeting** will be held within 30 days after the end of the fiscal year (Sept 30<sup>th</sup>). The fiscal year shall begin on the first day of October in each year. Notice of this meeting shall be provided to all members. The purpose of the annual meeting will be to elect and announce the results of the elected Directors and Financial Board of Trustees as well as transacting business stated in the agenda. If the annual meeting should not be called as provided by this subsection, 10% of the members in good standing may call such meeting with written notice to the secretary of the corporation. If the secretary fails or refuses, to fix the time and place of the meeting within 30 days of the request, the members requesting the meeting may fix the time and place in compliance with this section and give notice of the meeting to all members.

**B – The Semi Annual Meeting** will be held within 30 days after March 30<sup>th</sup>. Notice of this meeting shall be provided to all members. The purpose of the semi-annual meeting will be to nominate candidates for open Board of Director positions and the Financial Board of Trustees as well as transacting business stated in the agenda. If the semiannual meeting should not be called as provided by this sub-paragraph, 10% of the members in good standing may call such meeting with written notice to the secretary. If the secretary of the corporation fails or refuses, to fix the time and place of the meeting within 30 days of the request, the members requesting the meeting may fix the time and place in compliance with this section and give notice to all members.

**C- Special Meetings** of the members may be called at anytime by the President, the Board of Directors or by 10% of the members in good standing. No business shall be conducted except that is stated in the notice of the special meeting. If the secretary fails or refuses, to fix the time and place of the meeting within 30 days of the request, the members requesting the meeting may fix the time and place in compliance with this section and give notice to all members.

**Section 3- Notice of Meetings of the Association.** - Written notice of each meeting of the members shall be given by, or at the direction of the secretary or person authorized to call the meeting, by mail not less than 30 days nor more than 60 days before the date of such meeting to all members. All meeting notices shall be deemed to be delivered when deposited in the US Post Office addressed to the member's address on record with the association. Notices may also be published on VVE website, VVE postal board and VVE newsletter. Such notice shall specify the place, date, time and the agenda.

**Section 4 – Quorum.** - The presence in person or by proxy of members in good standing to cast at least 10% of the votes shall constitute a quorum.

If a meeting cannot be organized because a quorum has not attended, the President may adjourn the meeting to such time and place within 45 days. Notice of the new meeting date will be posted on the web-site and at the mail house but will not be mailed. The members in good standing attending the second adjourned meeting will constitute a quorum.

## **ARTICLE IV – DIRECTORS AND OFFICERS**

### **Section 1 – The Number and Qualifications of the Board of Directors:**

A Board of Directors shall manage the business of this Association, which shall be seven (7) in number. Each Director must: (i) **be** a Lot Owner, (ii) **be** a Member-in-Good-Standing, (iii) be a Full-time Resident, (iv) be 21 years of age or over at the time of election and (v) not be engaged in active or on-going litigation against the Association. These qualifications must remain valid for the entire term to remain as a Director of the board.

### **Section 2 – Terms of Office:**

All Directors will serve a term of three (3) years. No director shall serve more than two

consecutive three-year terms without an interval of one year of non-service on the Board of Directors. Each year elections will be held for vacant Board positions. In the first year following ratification of the By-Laws, three (3) directors shall be elected. In the second year, two (2) directors shall be elected and in the third year (2) directors shall be elected. Thereafter, election of directors shall follow the foregoing schedule.

### **Section 3 – Meetings of the Directors:**

#### **Sub-section 3.1 – Meeting time:**

Meetings of the Board of Directors shall be held monthly, with notice to all Directors at such time as determined by the Directors. A majority of the Directors in office shall constitute a quorum for the transaction of any business. The acts of a majority of the Directors present at a meeting, at which a quorum is present, shall be the acts of the Board of Directors.

#### **Sub-section 3.2 – Meeting Location:**

Monthly meetings of the Board of Directors shall be held at the Association Office located across from the front entrance of Valley View Estates on State Route 534 or somewhere within Carbon County.

#### **Sub- section 3.3 – Organizational Meetings:**

An organizational meeting of the Board of Directors and Financial Board of Trustees shall be held annually within ten (10) calendar days of the election. The purpose of the meeting is to elect, from the seven (7) Directors, the Officers of the Corporation. These officer positions will consist of a President, Vice-president, Secretary and Treasurer to be elected by the Directors. The Trustees will also elect a Chairman of the Financial Board of Trustees.

#### **Sub-section 3.4 – Special Meetings of the Board of Directors:**

The President may call a Special meeting at any time with five (5) days notice to each Director either personally or by mail, email, telephone or telegram. Special meetings may also be called upon the written request of a majority of the Directors of the Board to the President.

#### **Sub-section 3.5 – Participation in Meeting by Conference Call:**

One or more Directors may participate in a meeting or executive session of the Board of Directors by means of audio / video conference telephone or other communications equipment by means of which all persons participating in the meeting can hear, or hear and see each other. Said use of teleconference equipment cannot be used in lieu of personal attendance by any Board member in excess of three (3) times per fiscal year.

#### **Sub-section 3.6 – Motions Passed Without a Meeting:**

An emergency motion or routine motion that does not require detailed discussion can be approved by email or phone if followed up with an email for the purpose of a paper trail by a majority of the board if all board members have been notified.

### **Section 4 - Powers and Duties:**

The Board of Directors shall manage the business affairs of the Association. The powers and authority of the Board of Directors will be bestowed upon them by the By-Laws and Covenants of the Association. Where not specified in these documents, the “Pennsylvania

Uniform Planned Community Act” will define their powers and authority. If certain powers and authorities are not covered in the above either of the mentioned documents, then they shall be as specified in the “Pennsylvania Not-for-Profit Corporation Law.” In addition, the board shall have the following powers and duties:

**Sub-section 4.1 – Rules and Regulations:**

The Board of Directors shall have the power to institute Rules and Regulations, policies, and procedures governing the conduct, operations and activities of the Association provided any changes have the best interest of VVE Property Owners in mind.

**Sub-section 4.2 – Banking Responsibilities:**

The Board of Directors shall designate banking institutions as depositories for the Association's funds. In the event there is a change of Director, the Treasurer must accompany said Director with a letter of introduction from the existing Directors as per banking institution 's procedure.

**Sub-section 4.3 – Dues & Assessments:**

The Board of Directors shall levy and/or enforce the collection of all dues, fines and special or other assessments as deemed necessary. All dues are payable by October 1 of each year. Failure to comply within 90 days of the delinquency will result in legal action. The Treasurer or Secretary of the association shall notify the delinquent member(s) that unless the amount is paid in full, the member’s voting and participation rights will be automatically suspended and place the member(s) in not good standing status within the association.

**Sub-section 4.3.1 – Reallocation:**

The Board shall have the power to reallocate budgeted items and reserve funds as necessary for the welfare of the Association.

**Sub-section 4.3.2 – Approved Expenditures:**

Any project or expenditure (1) not identified in the Budget, (2) not an emergency expenditure, (3) not previously approved and which (4) exceeds or is anticipated to exceed an aggregate amount of \$5,000.00 within the current fiscal year shall be subject to approval by the membership. The majority of the members eligible to vote will vote in person or proxy at any annual, semi-annual or special meeting specifically called for the purpose of voting on the issue for the adoption of the resolution for the project or expenditure.

**Sub-section 4.4 – Insurance:**

The Board of Directors shall maintain all necessary insurance for the Association according to industry standards for “Property Owners Association”, which shall include, but is not limited to Liability Insurance, Director and Officer (D&O) Liability Insurance, Hazards Insurance, as well as Crime Insurance and Property Insurance on any property owned by the Association. Premium costs will be a line item in each annual budget.

**Sub-section 4.5 – Legal Documents:**

All Directors must read and review all documents (not limited to bids, contracts, etc.) prior to

the vote to approve the document. Once a motion and a vote has been passed by the majority of the Directors, the resolution relating to the said document shall be executed by the President, Secretary and a majority of the Directors.

**Sub-section 4.6 – Committees:**

The Board of Directors shall appoint committees necessary for the handling of specific functions of the Association, as well as to coordinate with committee chairperson for the sole purpose of overseeing the progress of said committees. Each committee of the Board shall serve at the pleasure of the Board. One Director shall be appointed as a liaison officer of each committee. The Board of Directors reserves the authority to either disband the committee or have its members removed for failure to comply with the Rules and Regulations for the committee as designated by the Board of Directors or complete their assigned task in a timely manner. Members of designated committees are required to sign a confidentiality agreement where applicable for privacy and security of the Association.

**Sub-section 4.7 – Preservation and Care of Common Areas:**

The Board of Directors shall be responsible for the care, maintenance and preservation of the common areas of the Association. No lot owner may construct, excavate, alter or environmentally impact any of the common areas of the Association without Board approval.

**Sub-section 4.9 – Review of Records:**

On an annual basis, the Financial Records are to be reviewed by the Association's CPA of record for the preparation of the annual taxes. Every three (3) years the financial records of the association/corporation shall have a complete audit by an outside auditor.

**Section 5 - Removal of Members of the Board of Directors**

**Sub-section –5.1 By the Board of Directors:**

- a. The Board of Directors may move for the removal of a Director(s), by a vote of a majority of the Directors, if he or she is declared of unsound mind by an order of court; or is convicted of a felony offense under any state or federal jurisdiction; or fails to attend three (3) consecutive regular or special meetings of the Board within one year without a valid reason; or may be proposed to be removed for cause (including without limitation, for fraudulent or dishonest acts or failing to fulfill their fiduciary duties) or if the Director(s) is no longer a property owner or in good standing with the Association as to his dues, fines, assessments and/or penalties.
- b. Within thirty (30) calendar days from the vote for removal, the removed party has the option to appeal the decision in writing, during which time the duties of said Director(s) shall be suspended. If the removed party elects to have a hearing, the remaining Directors shall obtain an arbitrator through the Corporate Attorney of Record for a due process hearing to be held at which time both sides can present their case. The Arbitrator shall determine whether the removal shall proceed. If the removal shall proceed, then the board shall declare vacant the office of the Director and shall fill said vacancy in accordance with Article V.

**Sub-section 5.2 – By the Membership:**

- a. The entire Board of Directors, or any individual Director, may be removed from office with cause (including, without limitation to, for fraudulent or dishonest acts, failing to fulfill their fiduciary duties or of personal profit from the activities of contractors who may be



operating by contract with the Association) by motion and vote of members entitled to cast at least a simple majority of the votes which all members present would be entitled to cast at any annual, semi-annual or special meeting duly called.

b. Any Director(s) whose removal has been proposed by the membership shall be given an opportunity to be heard at a special meeting. Within thirty (30) calendar days from the vote for removal, the removed party has the option to appeal the decision in writing. Upon receipt, the presiding President (i.e.; President or Vice President of the Association) of the meeting shall immediately call for a Special Meeting. The agenda of said Special Meeting shall be limited to the removal of the entire Board of Directors, or any individual Director. At the Special Meeting, duly called, both the initiator of the motion for removal and a second (if necessary) and the Director(s) sought to be removed will have an opportunity to present their documented evidence to the members present, who would be entitled to cast their votes, justifying their respective positions. The removal of the Director(s) will be held firm by two thirds (2/3) majority of those members present or by proxy and entitled to vote.

c. Upon removal of the entire board of Directors, or any individual Director from office, all properties of the Association must be returned to the Financial Board of Trustees in the case of the entire Board or in the case of a individual Director must be returned to the remaining Board within twenty four (24) hours of removal.

d. In the event of the removal of the entire Board of Directors, the operations of the Association will be temporarily assumed by the Financial Board of Trustees under the guidance of the Corporate Attorney of Record until such time that a Special Meeting can be called for the purpose of electing seven (7) new Directors of the board as outlined in sub-section 12 - The Election of Directors and Trustees of the Financial Board.

#### **Sub-Section 5.3 - Removal by the Court:**

The Court of Common pleas, Orphans Court Division for the County of Carbon, may upon petition of any member or Director, remove from office any Director in case of fraudulent or dishonest acts or gross abuse of authority or discretion cause, and may bar from office any Director so removed for a period prescribed by court. The Association shall be made a party to such action.

#### **Section 6 – Open Meetings:**

Meetings of the Board shall be open to all members unless declared a closed work session by the Board. Members can raise questions or voice their opinions during the Question and Answer portion of the meeting. Once the question has been called, only the Directors of the board shall be eligible to vote on the motion. Further, Committees of the Board and/or Association need not be open to the membership except as authorized by the Board.

#### **Section 7 – Executive Session:**

The Board of Directors may adjourn to an executive session to discuss personnel matters protected under privacy laws, litigation in which the Association is or may become involved, and orders of business of a similar nature after a simple majority vote of the quorum of Directors have approved the need for the session. Only members of the board will participate in Executive sessions unless the board calls another individual.

1. Purpose. In addition to the aforesaid, the Board may hold an executive session for one or more of the following factors, or matters of similar nature for reasons deemed appropriate which shall include but are not limited to:

a. To consider the purchase or lease of real estate.

- b. To consult with an attorney or other professional adviser regarding information or strategy in connection with any and all matters including litigation or with issues on which identifiable complaints are anticipated to be filed.
- c. To review and discuss Association business which, if conducted in public would violate a lawful privilege or lead to the disclosure of information or confidentiality protected by law, including matters related to the initiation and conduct of investigations of possible or certain violations of the law and quasi-judicial deliberations.
2. Procedure. The executive session may be held during an open meeting, at the conclusion of an open meeting, or may be announced for a future time.

### **Section 8 – Conflict of Interest:**

No Director in his/her capacity as a Director of the Association shall vote on a contract or transaction between the Association and any other corporation, partnership, association, or other organization in which he/she or a family member has a financial interest or serves as a Director or Officer.

### **Section 9 – Compensation:**

No member of the Board of Directors or Financial Board of Trustees shall receive any stated or monetary rewards for services, or personally profit from the activities of contractors, who may be operating by contract with the Association. No action shall be taken that may give the appearance of impropriety. All Directors shall obtain prior approval by a majority of the Directors to incur an emergency reimbursement for out of pocket expenses.

### **Section 11 – Officers**

#### **Sub-section 11.1 General:**

All Directors shall be deemed to stand in a fiduciary relation to the Association, and shall discharge the duties of their respective position in good faith and with that diligence, care and skill which ordinary prudent people would exercise under similar circumstances. No confidential information of the association shall be divulged by any board member without the approval of the full Board of Directors.

The same person except for the office of President may hold any two executive offices.

#### **Sub-section 11.2 President:**

##### **The President:**

- ☐ shall be the chief Executive Officer of the corporation;
- ☐ shall preside and facilitate at all membership and all Board of Directors meetings;
- ☐ shall see that all books, reports and certificates as required by law are properly kept and filed;
- ☐ shall have general oversight of the management of the business of the Association;
- ☐ shall see that all orders and resolutions of the Board and membership are carried into effect subject, however, to the right of the Directors to delegate any specific powers, except such as may be by statute exclusively conferred on the **President**, to any other Officer or Officers of the corporation;
- ☐ shall execute all documents requiring a seal, under the seal of the corporation;
  - the Seal of the Corporation shall remain locked in the office of the corporation.

☐ shall be an **EX-OFFICIO** member of all committees;

☐ shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

#### **Sub-section 11.3 Vice-President:**

##### **The Vice President:**

- ☐ shall assist the President as needed or called upon;
- ☐ with regard to the meeting of the Board of Directors, if the President for any reason vacates the chair, or in his/her absence from the meeting of the Board of Directors then the Vice-President shall take the chair to preside at the meeting in his/her seat;
- ☐ shall assume the duties of the Secretary in the absence of the Secretary

#### **Sub-section 11.4 Secretary:**

##### **The Secretary:**

- ☐ shall be the Correspondence Secretary of the Association;
- ☐ shall execute all designated correspondences on behalf of the association;
- ☐ shall be present at all Board of Director, general and special meetings of the membership;
- ☐ shall be the Recording Secretary at all meetings except committee meetings and shall record the minutes and votes of all these meetings;
- ☐ shall submit the minutes to the Board for their approval;
- ☐ shall give notice of all membership meetings as required by statute and take attendance at said meetings;
- ☐ shall oversee the preparation and keeping of membership records containing the names of members in alphabetical order, lot number, address and phone numbers, and/or, as otherwise prescribed by the Board of Directors, suspensions and other terminations of membership with the dates thereof. Such membership records shall also contain the number of votes to which each member is entitled;
- ☐ in the absence of both the President and Vice-President, the Secretary will assume the duties of the President (Pro-Tem);
- ☐ can be a member of all committees except the Judges of Elections.

#### **Sub-section 11.5 Treasurer:**

##### **The Treasurer:**

- ☐ shall be the custodian of all funds and securities of the Association;
- ☐ must be bonded within thirty (30) days of being elected and assuming the duties and responsibilities of Treasurer, which is to be paid for by the Association. Bonding requires background and credit check through the Association's Legal Representative;
- ☐ shall have responsibility for collection of all dues, assessments, fines and funds of the Association, which shall be deposited in the name of the Association, in a bank or banks selected and designated by the Board of Directors;

- ☐ shall make sure that all Association assets and monies due and owing are completely and accurately accounted;
- ☐ shall pursue all delinquent accounts due and owing the Association;
- ☐ shall ensure that Securities and other valuable papers be placed in a safety deposit box designated by the Board of Directors, and said box may only be opened upon the signatures of the Treasurer and a Director;
- ☐ shall submit a monthly detailed financial report and bills for payment to the Board of Directors. Upon approval of the Board of Directors to pay any outstanding bills, the Treasurer shall write a check in the amount of that bill. All checks of the Association or demands for money and notes of the corporation must have two (2) signatures, the Association's Treasurer and one (1) of the three Board of Directors designated to sign on behalf of the Association.

#### **Sub-section 11.6 Administrative Assistance:**

The Board of Directors in its discretion has the option to hire consultants or part-time employees to assist with the administrative duties when and if required.

#### **Section 12 – Election of Directors and Financial Board of Trustees:**

1. The Semi-Annual Meeting of the members shall be held on a Saturday per Article III sub-section B. The annual meeting of the members shall be conducted as per Article III Section A.
2. Elections of Directors, and Board of Financial Trustees will be by written mail in ballot for elections held at the Annual Meeting. Ballots as hereinafter provided are mailed to each member-in-good standing with the notice of the annual meeting. Ballots not returned by mail within 10 days prior to the Annual Meeting of the Members shall be considered as a non-vote and will not be counted in the total votes cast. The persons receiving the largest number of votes shall be elected. The Board of Directors at their discretion will resolve any ties.
3. The Board of Directors shall designate three (3) persons from the membership to serve as judges of election to conduct the counting of the election ballots at the Annual Meeting, in accordance with the rules and regulations established by these By-Laws. ***A Judge of Election shall not be related, in any way, to any person, nominated for election to any office of the Association.*** The Judges of Election shall declare the individuals from the constituency obtaining the highest number of votes to be the winner for the positions for which they had been nominated to represent that constituency. Any questions as to the validity or legitimacy of a vote for the election of members shall be reviewed by the Judges of Election and verified by the Attorney of Record for the Association and whose determination shall be declared final.
4. The completed ballots shall be returned as follows:
  - a. Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way.
  - b. Each "Ballot" envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed envelope, which shall bear on its face the name, address and signature of the member, his or her lot number, and membership number which will serve to establish his or her right to cast the vote or votes presented in the ballot contained therein.

c. The ballots shall be returned to the Executive Secretary of the Association no later than ten (10) days prior to the annual meeting at such return address as the Board may from time to time determine.

5. Upon receipt of each return, the Executive Secretary shall immediately place it in a safe or locked place until the day of the Annual meeting where the Judges of Election will count the votes. The external envelopes containing the “Ballot” envelopes shall be turned over, unopened, to the Judges of Election. A representative of each candidate for the office may also be present to observe the process. The Judges of Election shall then adopt a procedure, which shall establish:

- a. That the member has supplied the lot number, membership number and signed the outside of the envelope; and
- b. That verify such member is a member in good standing.
- c. That the outside envelopes shall thereupon be placed in a safe or other locked place.
- d. That the Judges of Election proceed to the opening of the “Ballot” envelopes, and proceed with the counting of the votes.
- e. That any “Ballot” envelope found to contain more than one (1) ballot, all ballots contained in said envelope shall be disqualified.
- f. That the Judges of Election shall announce the results of the election and certify the results of the count at the Annual Meeting and the terms of the offices so elected shall commence immediately following such Annual Meeting.
- g. That the ballots, ballot envelopes, outside envelopes and the members-in-good-standings list are then gathered, placed in a dated and sealed envelope and returned to the Recording Secretary to be safely stored within the books and records of the Association, should the election proceedings are ever questioned.

6. The results of all ballot counts shall be published in the Association newsletter and/or the web-site.

## **ARTICLE V – VACANCIES**

1. In the event a Director or member of the Financial Board of Trustees no longer meets the qualifications provided in Article IV, Section 1, resigns or becomes disabled, that position shall be declared vacant . The remaining Directors shall appoint a qualified individual to assume the responsibilities of any vacant position in question for the remainder of their term.
2. Any Director(s), and/or Trustee(s) of the Financial Board, previously removed from office, will not be eligible for any office or committee for at least six (6) years after removal from office.

## **ARTICLE VI – CORPORATE RECORDS**

1. There shall be kept, at the registered office or principal place of business of the corporation, an original or duplicate record of the proceedings of the Directors, and the original or copy of its By-Laws, including all amendments or alterations thereto to date, certified by the Secretary of the corporation.
2. Every member shall, upon written request (on designated VVE, POA form), stating the purpose for, have a right to examine, in person or by agent or attorney,

3. during the usual hours for business for any proper purpose, the books or records of the Association, and his/her own account and records of the proceedings of the Directors. Copies may be made upon request, subject to applicable laws (current cost for copies is a \$1.00 per page which may change from time to time) . A proper purpose shall mean a purpose reasonably related to such person's interest as a member. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand, shall be accompanied by a power of attorney or such other writing, which authorizes the attorney or other agent to act on behalf of the member. The demand, shall be directed to the corporation at its registered office in this Commonwealth or at its principal place of business. No member shall the right to inspect any privileged or confidential records, nor shall confidential employee or personnel records be available for inspection.

## **ARTICLE VII – MEMBERSHIP**

1. Every owner of a lot appearing on the Plan of the Lots of Valley View Estates, Carbon County, PA., as recorded in Map Book Volume 2, at page 143, and all future lots, subdivisions and sections to be recorded from property described in Carbon County Deed Book 509, page 7, shall be a member of the corporation.
2. Except as set forth in Paragraph 5 below, each lot shall be entitled to one vote regardless of the number of owners of such lot. Owners of more than one lot shall be entitled to one vote for each lot owned. In the case of more than one owner of a lot, the owners shall designate one person at each meeting who shall vote for that lot at the meeting.
3. If no record date is fixed for the determination of members entitled to be heard, or vote at, a members' meeting, the record date shall be deemed the tenth day preceding the date of such meeting.
4. No vote shall be cast for any lot unless there has been paid in full for that lot all dues and assessments due and owing to this corporation.
5. It is the responsibility of the Lot owner to notify the Board of Directors, by way of written notice of any change in ownership or change of address.

## **ARTICLE VIII – ANNUAL STATEMENT**

The Board of Directors, in a manner determined by them, shall present at each annual meeting a full and complete statement of the business and affairs of the corporation for the preceding year.

## **ARTICLE IX – AMENDMENTS**

These By-Laws may be amended or repealed by the vote of the majority of the members in good standing in attendance at any regular, semiannual or special meeting of the members,

duly convened after notice to the members of that purpose.

## **ARTICLE X – DUES AND ASSESSMENTS AND BUDGET**

1. The Board of Directors will develop the budget and present the operating budget at the semi-annual meeting of the Association for review and comment. Any revisions will be reviewed by the board and up-dated if necessary. This budget will take effect the first day of the next fiscal year (currently October 1<sup>st</sup>). The operating budget is calculated based upon the needs of the Association and anticipated expenses for the upcoming year. This budget must always be balanced each year.

2. The Board of Directors shall establish the annual dues for the coming year as a part of the budget to be presented to the members at the semi-annual meeting. The dues shall be established for the maintenance and repair of the roads, swales and retention ponds, as well as all common areas within the development, the maintenance of reserves and the operation and general business of this association. The dues of the members of the Association is to be assessed equally to the lots in Valley View Estates and shall not be changed more than 10% above the presented operating budget at the preceding semiannual meeting for any fiscal year.

3. Special Assessments may be used, with membership approval, to cover spending that otherwise is not included in the budget, including, but not limited to unusual or non-recurring special projects or services.

4. Any project arising, not having been presented in the annual operational budget or covered by the reserve funds, may require the Board of Directors to call for a Special Meeting to present and justify the additional expenses and seek a majority vote for the approval of a special assessment by the members present and/or by proxy and in good standing. An exception to this would be in the case of an emergency.

## **ARTICLE XI – FINANCIAL BOARD OF TRUSTEES**

### **Section 1 – Duties and Responsibilities:**

.Membership shall consist of three (3) members in good standing of the Association.  
Trustees of the Financial Board:

- a. Shall be knowledgeable in performing financial accounting, bookkeeping and/or auditing.
- b. All Trustees of the Financial Board shall be elected by the membership at all annual membership meetings and will hold office for a period of one year, with no Trustee holding the office for more than three consecutive terms. No confidential information of the association shall be divulged by any member of the Financial Board of Trustees without the approval of the full Board of Directors.
- c. The procedure for the election of the Financial Board of Trustees shall follow those outlined in ARTICLE XIII (Election of Directors, and Trustees of the Financial Board).
- d. No Director is to be elected as a member of the Financial Board of Trustees.

1. The Financial Board of Trustees shall be separate from the Board of Directors.  
The sole purpose of the Financial Board of Trustees shall be to perform a

2. quarterly review of the Financial Records, with supporting documentation of the Association, making sure that the financial records are kept in such a manner as to be audit-able by an independent certified public accountant if need be.
2. The Financial Board of Trustees shall establish a protocol, subject to the approval of the board of Directors, by which the responsible parties must provide the necessary documentation to insure that the Board of Directors and Executive Board have met the criteria for their fiduciary duties as set forth in these By-Laws.
3. The Secretary and Treasurer shall provide the Financial Board of Trustees with a true and complete copy of records of all financial transactions to permit the Financial Board of Trustees to perform an accurate review of the records of the Association. If there is any defect in the records, and records submitted, or in the manner in which the records and books are maintained, the Financial Board of Trustees shall notify Board of Directors in writing, signed by each of the members of the Financial Board of Trustees, setting forth the nature of the defect. The Financial Board of Trustees may make a recommendation to the Board of Directors as to the manner in which the purported defect may be cured, and the Board of Directors is obligated to make the necessary correction(s) to the financial records immediately.

## **Section 2 – Removal of Members of the Financial Board of Trustees:**

Refer to Article IV – subsection 5.1, 5.2 and 5.3

# **ARTICLE XII – COVENANT/BY-LAW/RULES ENFORCEMENT PROCEDURE**

The Board shall not impose a fine, suspend voting or infringe upon any other rights of a member of other occupant for violation of these rules unless and until the following procedure is followed:

1. Demand—Written demand to cease and desist from the alleged violation shall be served upon the alleged violator specifying:
  - a. The alleged violation
  - b. The action required abating the violation
  - c. A time period, not less than ten (10) days, during which time the violation may be abated without further action
2. Notice—At any time within twelve (12) months of any demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is subsequently violated, the Board or its delegate shall serve the violator with written notice of a hearing to be held by the Covenant Enforcement Committee. The notice shall contain:
  - a. The nature of the alleged violation
  - b. The time and place of the hearing, which time shall not be less than ten (10) days from the giving of the notice.



c. An invitation to attend the hearing and produce any statement, evidence or witness on their behalf.

d. The proposed penalty to be imposed

3. Hearing—The hearing shall be held in executive session pursuant to this notice affording the violator a reasonable opportunity to be heard. Prior to the effectiveness of any penalty, notice of the Committee hearing shall be forwarded by regular mail to the individual at their address of record. Proof of notice shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery is entered by the officer, Director or agent who sent the notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the penalty, if any is imposed. The recommended action of the Covenant Enforcement Committee shall be forwarded to the Board of Directors for formal action. The recommendation of the CEC shall be reviewed at a regular or special meeting of the Board and accepted, rejected or modified by the Board of Directors. Notice of the Board's decision shall be sent to the violator.

4. Appeal—Following a hearing before the Covenant Enforcement Committee, the violator shall have the right to appeal the decision of the Board of Directors. To perfect this right, a written notice of appeal must be received by the Directors, President or Secretary of the Association within twenty (20) days after the mailing of the notice of the Board's formal action penalizing the violator. The appeal will be brought before the Board of Directors in executive session.

#### Section 3. Fine schedule

The following schedule of fines is adopted for Valley View Estates Property Owner's Association and applies to any violations of the Covenants, Bylaws, resolutions or any and all future Rules and Regulations promulgated by the Board of Directors.

First violation- \$100

Second violation- \$250

Third violation- \$500

Four or more violations- \$1000

5. Nothing in this Section shall be interpreted to limit the Association's right to seek any other remedy for violations of the covenants and/or By-laws including actual and punitive damages, interest, attorney fees and costs.

6. In the event the Association finally prevails in any court proceeding arising from these violations, the violators shall pay, in addition to any other reward, the Association's reasonable attorney's fees and costs.