

(Changes in red)

**Bylaws**

**OF**

**RANCHO ESCONDIDO COMMUNITY IMPROVEMENT  
ASSOCIATION**

**A NONPROFIT CORPORATION**

**ARTICLE I.  
NAME AND LOCATION**

The name of the corporation is Rancho Escondido Community Improvement Association. The principal office of the corporation will be located at 9600 Rancho Drive, Willis, Texas 77318-6625, but meetings of members and directors may be held at such places within the State of Texas as may be designated by the board of directors.

**ARTICLE II.  
DEFINITIONS**

Section 1. **Association** shall mean and refer to Rancho Escondido Community Improvement Association, Inc., its successors and assigns.

Section 2. **Common Area** shall mean all real property owned by the association for the common use and enjoyment of the owners,

Section 3. **Declarant** shall mean and refer to Rancho Escondido Partnership, its successors and assigns.

Section 4. **Declaration** shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the subdivision according to the map or plat thereof recorded in Cabinet C, Sheet 166B of the Map/Records of Montgomery County, Texas.

Section 5. **Declaration** shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the subdivision according to the map or plat thereof recorded in Cabinet C, Sheet 72 of the Map Records of Montgomery County, Texas.

Section 6. **Lot** shall mean and refer to any plot of land shown on the recorded subdivision plat with the exception of the common area.

Section 7. **Member** shall mean and refer to those persons entitled to membership in the association as provided in the declaration.

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Section 8. **Owner** shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the subdivision, including contracts sellers, but excluding those holding title merely as security for the performance of an obligation.

Section 9. **Subdivision** shall mean and refer to that certain tract of real property described in the declaration, and such additions thereto as may be brought within the jurisdiction of the association pursuant to the provisions of the declaration.

### ARTICLE III. MEETINGS OF MEMBERS

Section 1. **Annual Meetings.** The first annual meeting of members shall be held upon notification by the Declarant of all members of the date and place for said meeting. Subsequent annual meetings of members shall be held on a date established by the board of directors.

Section 2. **Special Meetings.** Special meetings of members may be called at any time by the president or by the board of directors, or on written request of members who are entitled to vote one-fourth of all votes of the property owners.

Section 3. **Notice of Meetings.** Written notice of each meeting of members shall be given by, or at the directions of, the secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) but not more than fifty (50) days before such meeting to each member entitled to vote thereat, addressed to the members address last appearing on the books of the association, or supplied by such members to the association for the purposes of receiving notice. Such notice shall specify the day, hour, and place of the meeting, and in the case of a special meeting, the purpose of the meeting. This notice can be by USPS or electronic mail.

Section 4. **Quorum.** The presence at the meeting, in person or by proxy, of member's entitled to cast a majority of the votes of the membership shall constitute a quorum for authorization of any action, except as may otherwise be provided in the declaration, the articles of incorporation, or these bylaws. If a quorum is not present at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 5. **Proxies.** At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Proxies shall be revocable, and the proxy of any owner shall automatically terminate on conveyance by him of his lot.

### ARTICLE IV. BOARD OF DIRECTORS-TERM OF OFFICE; FIRST ELECTION; REMOVAL

Section 1. **Number.** The affairs of the association shall be managed by a board of six (6) directors, who shall be members of the association.

Section 2. **Terms of Office.** Directors may serve up to two (2) consecutive three (3) year terms. A director having been appointed to fulfill the unexpired term of a predecessor, however, may be elected to serve up to two (2) three year terms immediately following fulfillment of the unexpired term.

Section 3. **Removal.** Any director may be removed from the board, with or without cause, by a majority vote of the directors of the association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 4. **Compensation.** No director shall receive compensation for normal services rendered to the association. However, the Secretary/Treasurer may receive monthly compensation, the amount to be determined by the Board of Directors annually, for maintaining the association's records, paying of bills, and the collection of annual and monthly assessments against owner's lots. However, any director may be reimbursed for actual expenses incurred in the performance of duties. Conflicts of interest by directors shall be avoided. Specifically, directors, or companies with whom directors have a financial interest, shall not engage in work or services for the association as described under Article VII, Section 1, Powers, item e.

## ARTICLE V. BOARD OF DIRECTORS-NOMINATION AND ELECTION

Section 1. **Nomination.** Nomination for election to the board of directors shall be by nominating committee. However, nominations may also be made from the floor at any annual meeting of members. The nominating committee shall consist of a chairman who shall be a member of the board of directors, and two or more members of the association. The committee shall be appointed by the board of directors prior to each annual meeting to serve from the close of such meeting until the closing of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the board of directors as it shall in its discretion determine, but in no event shall it nominate less than the number of vacancies to be filled.

Section 2. **Election.** Election to the board of directors shall be by written ballot. At such election the member: or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the declaration. Persons receiving the largest number of votes shall be elected.

## ARTICLE VI. BOARD OF DIRECTORS-MEETINGS

Section 1. **Regular Meetings.** Regular meetings of the board of directors shall be held monthly or as agreed upon by the board of directors, with a minimum ~~72~~ 144 hour notice at such place and hour as may be fixed from time to time by resolution of the board. In the event the regular date for a meeting falls on a legal holiday, such meeting shall be held at the same time on the next following day, which is not a legal holiday.

Section 2. **Special Meetings.** Special meetings of the board of directors shall be held when called by the president of the association, or by a majority of the directors, after not less than a 72 hour notice.

Section 3. **Quorum.** A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of the Directors present at a duly held meeting in which a quorum is present shall constitute the act of decision of the board. Directors can vote by proxy given to another director.

## ARTICLE VII. BOARD OF DIRECTORS-POWERS AND DUTIES

Section 1. **Powers.** The board of directors shall have power to:

- a. Adopt and publish rules and regulations governing the use of the common areas and facilities including the personal conduct of the members and their guests thereon: and to establish penalties for infractions of such rules and regulations.
- b. Suspend the voting rights and right to use of the recreational facilities of any member during any period in which such member is in default in the payment of any assessment levied by the association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations;
- c. Exercise on behalf of the association all powers, duties, and authority vested in or delegated to the association and not specifically reserved to the membership by the declaration, articles of incorporation, or by other provisions of these bylaws.
- d. Declare the office of a member of the board of directors to be vacant in the event that such member is absent from three (3) consecutive regular meetings of the board of directors, and;
- e. Employ a manager, independent contractors, and other employees as they may deem necessary, and to prescribe their duties.

Section 2. **Duties.** It shall be the duty of the board of directors to:

- a. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at each annual meeting, or at any special meeting at which such a statement is requested in writing by one-fourth of the members entitled to vote thereat;
- b. Supervise all officers, agents, and employees of the association and see to it that their duties are properly performed;
- c. As more fully provided in the declaration to:
  1. Fix the amount of the annual assessment against each lot at least fifteen (15) days in advance of each annual assessment period;
  2. Send written notice of each assessment to every owner subject thereto at least fifteen (15) days in advance of each annual assessment period; and
  3. Foreclose the lien against the property for which assessments are not paid within a reasonable time after the due date, or to bring an action at law against the owner personally obligated to pay the same.

- d. Issue, or cause an appropriate officer to issue, on demand by any person, a certificate setting forth whether or not an assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of such payment. The board may impose a reasonable charge for the issuance of these certificates;
- e. Procure and maintain adequate liability and hazard insurance on all property owned by the association; and
- f. Cause the common area and infrastructure to be maintained.

## **ARTICLE VIII. OFFICERS AND THEIR DUTIES**

Section 1. **Enumeration of Officers.** The officers of the association shall be a president and vice president and a secretary, and a treasurer, who shall at all times be members of the board of directors, with the exception of the secretary/treasurer, who can upon being duly elected, serve as a member of the board, but can serve as the secretary/treasurer of the board without currently being elected as a board member. Other officers as the board may from time to time by resolution create.

Section 2. **Election of Officers.** The election of officers shall take place at the first meeting of the board of directors following each annual meeting of members.

Section 3. **Term.** The officers of the association shall be elected annually by the board. Each shall hold office for a term of one year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4. **Special Appointments.** The board may elect other officers as the affairs in the association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may, from time to time, determine.

Section 5. **Resignation and Removal.** Any officer may be removed from office by the board at any time with or without cause. Any officer may resign at any time by giving written notice to the board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. **Vacancies.** A vacancy in any office may be filled by appointment of the board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he replaces.

Section 7. **Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of the Article.

Section 8. **Duties.** The duties of the officers are as follows:

- a. **President.** The president shall preside at all meetings of the board of directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds, other instruments, and promissory notes.
  
- b. **Vice President.** The vice president shall act in the place of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge other duties as may be required of him by the board.
  
- c. **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members; keep the corporate seal of the association and affix it to all papers so requiring; serve notice of meetings of the board and of members; keep appropriate current records showing the members of the association together with their addresses; and perform other duties as may be required by the board or by law.
  
- d. **Treasurer.** The treasurer shall receive and deposit all funds of the association in the appropriate bank accounts, and shall disburse such funds as directed by resolution of the board of directors; shall sign all checks and promissory notes of the association; shall keep proper books of account; When specifically approved by the membership, the annual audit by a certified public accountant may be waived in lieu of a Financial Review Committee consisting of not fewer than two RECIA members who are not members of the board of directors, such Financial Review Committee to be formed and approved by members at the annual meeting. The financial review shall commence no later than December 31st, of the current year, and reports completed and mailed to the membership no later than June 1st, of the succeeding year. and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each member, and a report on which shall be given at the regular annual meeting of members.
  
- e. ***Chairperson of Architectural Control Committee (ACC).*** *Shall be entitled to attend all Board of Directors meetings and be included in Executive Sessions of the Board of Directors meetings when discussing any items regarding the functions of the Architectural Control Committee (ACC).*

## **ARTICLE IX. COMMITTEES**

The directors shall appoint an architectural committee, as provided in the declaration, and a nominating committee as provided in Article V of these bylaws. In addition, the board of directors may appoint other committees, as it may deem appropriate in the performance of its duties.

## **ARTICLE X. ASSESSMENTS**

As more fully provided in the declaration, each member is obligated to pay to the association annual and special assessments, which are secured by a continuing lien on the property against which such assessments are made. Assessments, which are not paid when due, are considered delinquent. If an assessment is not paid, on or before the due date, a penalty of six per cent (6%) of the amount of the delinquency will be added to the delinquent amount for the first delinquent month. An additional penalty of

one per cent (1%) of the delinquency amount will be added for each additional month or portion of a month the delinquency remains unpaid up to a maximum of twelve per cent (12%).

A delinquent assessment also accrues interest at a rate of one per cent (1%) of the delinquent amount for each month or portion of a month that the delinquent assessment remains unpaid, and the association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against his property. Interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of any assessment due. No owner may waive or otherwise escape liability for assessments by nonuse of the common area or abandonment of his lot.

## **ARTICLE XI. BOOKS AND RECORDS; INSPECTION**

Books, records, declarations, articles of incorporation, bylaws and papers of the association shall be subject to inspection by any member upon reasonable notice to the secretary, and at times mutually-agreed upon by the member and the secretary. Copies of declarations, articles of incorporation and bylaws shall be made available for purchase by members at a reasonable price.

## **ARTICLE XII. CORPORATE SEAL**

The association shall have a seal in circular form having within its circumference the words Rancho Escondido Community Improvement Association, Inc.

## **ARTICLE XIII. FISCAL YEAR**

The fiscal year of the association shall be the calendar year, except that the first fiscal period shall begin on the date of incorporation and shall end on December 31<sup>st</sup> of the year of incorporation.

## **ARTICLE XIV. AMENDMENTS**

These bylaws may be amended, at a regular or a special meeting of members, by vote of a majority of a quorum of members present in person or by proxy.

## **ARTICLE XV. CONFLICTS**

In the case of any conflict between the articles of incorporation and these bylaws, the articles shall control; in the case of any conflict between the declaration and these bylaws, the declaration shall control.

**CERTIFICATION**

I, the undersigned, pursuant to Texas Property Code §202.006 do hereby certify:

That I am the duly elected and acting Secretary of the Rancho Escondido Community Improvement Association, (hereinafter the "Association") a Texas Corporation.

That the attached documents are documents that apply to the operation and utilization of property within Rancho Escondido, a subdivision located in Montgomery County, Texas.

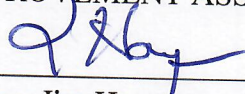
That the property affected by these documents is set out on the attached Exhibit "A".

That these documents which affect the use and operation of Rancho Escondido are set out on the attached Exhibit "B".

That the attached documents are true and correct copies of the originals.

IN WITNESS WEHEREOF, I have hereunto subscribed my name this 12<sup>th</sup> day of NOVEMBER, 2021.

RANCHO ESCONDIDO COMMUNITY  
IMPROVEMENT ASSOCIATION



Name: Jim Haymon  
Title: Secretary

STATE OF TEXAS           §  
  §  
COUNTY OF MONTGOMERY   §

BEFORE ME, on this day personally appeared Jim Haymon the Secretary of the Rancho Escondido Community Improvement Association, known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in the capacity therein and herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 12<sup>th</sup> day of NOVEMBER, 2021.

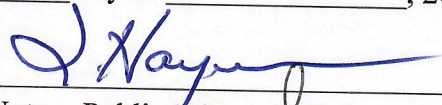
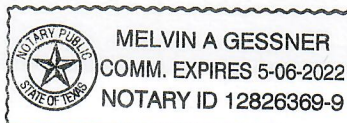
  
\_\_\_\_\_  
Notary Public - State of Texas



EXHIBIT "A"

PROPERTY DESCRIPTION

The property encumbered by the documents attached hereto as Exhibit "B" is that property restricted by the Restrictions and Covenants Applicable to Rancho Escondido Subdivision recorded under Montgomery County Clerk's File No. 8001226 and the Restrictions and Covenants Applicable to Rancho Escondido Subdivision, Section II recorded under Montgomery County Clerk's File No. 8132163, as same have been or may be amended from time to time, and any other subdivisions which have been, or may subsequently annexed thereto and made subject to the authority of the Rancho Escondido Community Improvement Association.


EXHIBIT "B"

1. Bylaws of Rancho Escondido Community Improvement Association (reprinted 08-2021)

**After recording return to:**

Secretary/Treasurer  
R.E.C.I.A. ✓  
9600 Rancho Drive  
Willis, Texas 77318

FILED FOR RECORD  
11/12/2021 10:05AM



COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,  
COUNTY OF MONTGOMERY

I hereby certify that this instrument was filed in the file number  
sequence on the date and time stamped herein  
by me and was duly RECORDED in the Official Public  
Records of Montgomery County, Texas.

11/12/2021



County Clerk  
Montgomery County, Texas