

BYLAWS OF THE  
SUMMER MOUNTAIN RANCH  
PROPERTY OWNERS ASSOCIATION

ARTICLE ONE

CORPORATION CREDENTIALS

1.01 The Summer Mountain Ranch Property Owners Association is enfranchised by the State of Texas as a non-profit corporation. The Association employs a registered agent. The Association's business address is 105 Summer Mountain Drive, San Marcos, Texas, 78666. The Association's website is <http://www.smrpoa.com>. The initials, SMRPOA, will be considered as synonymous with the Association's fully written name and may be used interchangeably except when prohibited by law. All business activities of the Association will be conducted under the purview of Texas law.

1.02 The Summer Mountain Ranch Property Owners Association operates on a December 31 year end and maintains its accounting records using the cash basis method of accounting.

ARTICLE TWO

EXPLANATION OF TERMS

2.01 OWNERSHIP – A person will be considered a property owner within the Summer Mountain Ranch Subdivision if such person becomes a record owner of at least one lot.

2.02 MEMBERSHIP – Ownership of a lot within the Summer Mountain Ranch Subdivision confers a membership in the Association to the owner. Owners who have purchased a lot under the provisions of any Contract of Sale and Purchase with the Veteran's Land Board of the State of Texas will be considered as members of the Association. In those cases, and specifically in regard to voting matters of the Association, the State of Texas is not considered a member of the Association. There will be no initiation fees for membership to the Association.

2.03 VOTING MEMBER – Ownership of each lot within the Summer Mountain Ranch Subdivision entitles the owners to vote in matters concerning the administration of Summer Mountain Ranch. In cases where a lot is owned by multiple persons or entities other than one individual, the lot owners may designate, in writing, only one individual as a voting member. The Association encourages notice by email; if an owner wants notice by email, he is required to maintain an email address with the Association. Owners are required to maintain current mailing addresses with the Association.

ARTICLE THREE

MEETINGS

3.01 Notices of all Association meetings will be provided to Association members pursuant to requirements of Texas laws and these bylaws, as follows:

(1) For meetings during which the Association's general membership WILL vote on issues concerning Association business, notices will be forwarded to all members by any means practicable to include public postings, the Association website and e-mail services. Written notices will be mailed by normal USPS to the last official mailing address provided by members not having e-mail service or who choose not to allow Association access to such service. All owners are encouraged to inform the Association of an e-mail address in order to receive timely information from the Association. Notices of a meeting, when general membership voting will occur, shall be forwarded at least ten (10) days prior but not more than sixty (60) days prior to meeting dates.

(2) For meetings which WILL NOT involve voting by the Association's general membership, notices will be forwarded as in (1) above except there will be no requirement to mail notices of the meeting by USPS. Notices of such meeting shall be forwarded at least five (5) days prior but not earlier than sixty (60) days prior to meeting dates. Email addresses for Association use are encouraged.

(3) Notices of all meetings will state the location, date, time and agenda for the meeting. Notices of cancelled or delayed meetings will be issued as soon as diligently possible.

3.02 Association meetings will normally be structured to satisfy the meeting's purpose, as follows:

(1) Annual Owners Meeting. Meetings held specifically to elect directors to the Association's Board of Directors (hereinafter normally referred to as the "Board"), vote on other pending matters as may be required and to generally update all members on various aspects of the Association. This meeting will convene on the last Saturday of January unless circumstances dictate otherwise. In case of unforeseen changes to this meeting schedule, a notice will be issued as soon as practicable. An Executive Meeting will be held, without notice, immediately following each Annual Owners Meeting.

(2) Directors Meeting. Meetings held from time to time to provide the Board and Association members an opportunity to address Association issues and to remain current on the status of various Association activities. General membership voting will not normally occur during such meetings.

(3) Special Meetings. Meetings held to address specific problems which cannot be held in abeyance until an Annual Owners Meeting or Directors Meeting. Special Meeting notices will include the specific reason for the meeting and a meeting agenda. General membership voting may be required at such meeting depending on agenda items or specific reason for the meetings.

(4) Executive Meetings. Meetings held from time to time to allow the Board an opportunity to privately discuss sensitive/confidential/personal matters, make decisions and act on routine administrative matters or address emergency situations which may randomly occur. Attendance at these meetings will be restricted to members of the Board and specifically invited guests. Notice of Executive Meetings must be given as in Section 3.01. Minutes will be kept and posted on the website after approval. Confidential matters may be summarized and placed in the minutes, in general terms, without breaching the privacy of individual owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties.

3.03 The subjects for decision or vote during any meeting are limited to such subjects as contained in the agenda for the meeting. All agendas will, when appropriate, include an item entitled "Public Comment", or similar phrase, which will allow Association members to express support for actionable discussion items to be included in future meeting agendas.

3.04 All Owners or Directors meetings will be held at a location on or reasonably near to Summer Mountain Ranch as arranged and designated by the Board. Weather factors will be considered when selecting meeting locations.

3.05 Owners or Directors Meetings for any purpose may be called by the Association's President or by three or more Directors. Any called Special Meeting must have a specific purpose which must be identified in the notice of the meeting.

3.06 For purposes of an Owners Meeting, ten percent (10%) of the Association's voting members constitutes a quorum required for transaction of business. Eighteen (18) voting members forms this quorum since Summer Mountain Ranch has one hundred seventy-six (176) registered lots. Once a presence of a quorum is achieved and confirmed discussion may continue despite a failure to maintain a quorum during the remainder of the meeting. No vote may be taken without a quorum present.

3.07 Only persons that are owners on the date of a meeting will be allowed to vote. Votes are apportioned by lots. Each lot is entitled to one vote. A person owning multiple lots will be entitled to cast a corresponding multiple number of votes. No fractional voting is allowed. Voting members may execute a written proxy granting their voting privileges to other voting members. Proxy voting is allowed and encouraged, when practicable. Written proxies must be presented by the time of voting.

3.08 All meetings of Association members will be chaired by the President of the Association's Board of Directors and conducted in accordance with Robert's Rules of Order, and Texas law. In the President's absence, a presiding officer will be chosen from and by the Directors present at that meeting.

## ARTICLE FOUR

### BOARD OF DIRECTORS

4.01 Management of the Association is vested in an elected Board of Directors. The Board has full power and authority to carry out all functions of the Association and to engage in any and all lawful acts necessary or profitable to the Association. The Directors will act only as a Board. No individual Director will be allowed to function separately as the Board. The Board's powers are controlled by limitations such as are imposed by law, by the Articles of Incorporation or by these Bylaws as to actions requiring approval by Association members. The Board may, by contract or otherwise, give general or limited special power and authority to officers or employees of the Association to transact general or special business of the Association. The Board may give powers of attorney to agents of the Association to transact special business requiring such an authorization.

4.02 The Board is authorized to have five but not less than three members. All Directors will be members of the Association. The number of Directors may be increased or decreased by amendment to these Bylaws, however, no decrease will have the effect of shortening the term of any incumbent Director. Director positions to be filled by reason of an increase in the number of Directors will be filled by election at the Annual Owners Meeting or at a Special Meeting of the members convened for such specific purpose.

4.03 Directors will normally be elected by voting members during each Annual Owners Meeting to serve a two year term on the Board. To ensure Board management continuity, individual terms of the Directors will be staggered in time. Changing the annual meeting date in [3.02(1)] will require 2018 to be a transition year. On January 1, 2018 all current directors will have served seven months of their elected terms. These seven months will be added to their respective 1 or 2 year original terms and there will be no board election. The 2018 transition year will be a one-time occurrence. Beginning 2019, 2 directors will be elected in odd numbered years and 3 in even numbered years. Directors will hold office until their respective successors are elected or until their death, resignation or removal.

4.04 The Board will consist of a President, two Vice Presidents (Maintenance and Special Projects), a Secretary and a Treasurer. All Directors will be elected and hold office at the pleasure of the voting membership of the Association. The Directors will have the power and duties generally associated with their respective titles. Additional authority or duties may be established for any Director at any time at the discretion of the Board. Titles and corresponding duties may be determined or rearranged at any time at the discretion of the Board members. For purposes of clarity of these Bylaws and all other Association correspondence, the terms "Director(s)" and "Officer(s)" may be considered as synonymous and used interchangeably.

4.05 Vacancies on the Board may be filled through an interim appointment by the remaining Directors. Such interim appointments will extend until the position can be filled by an election of the members present at the next meeting for purposes of electing Association Directors. A quorum of voting members may elect a Director at any time to fill any Board vacancy not filled by the Directors. The entire Board or any individual Director may be removed from office with or without cause by a majority vote of all Association voting members during any Annual or Special Meeting.

4.06 Special Meetings of the Board may be called at any time and for any purpose by the President of the Board. If the President is absent, or is unable or refuses to act, a Special Meeting may be called by a majority of Directors.

4.07 A majority of the authorized number of Directors is necessary to constitute a quorum for transaction of Association business except for adjournment of a meeting. Every act accomplished or decision made which has been agreed upon by a majority of the Directors will be regarded as an act of the Board unless a greater number of Directors is required by law or the Articles of Incorporation.

4.08 The President, or in the President's absence, any Director selected by the Directors present will preside at meetings of the Board. The Secretary of the Association, or in the Secretary's absence, any person appointed by the presiding Director will act as Secretary of the Board.

4.09 Directors and members of the Association committees will not receive any compensation for their time or services. They may receive reimbursement for actual, pre-approved expenses incurred while conducting Association business only upon submitting appropriate written evidence of expenses.

4.10 The Board may authorize the repayment of expenses incurred by, or to satisfy judgments/fines rendered or levied against, present or former Directors or representatives of the Association while conducting Association business.

## ARTICLE FIVE

### EXECUTION OF INSTRUMENTS

5.01 The Board may authorize any person to execute any corporate instrument or document, or to sign the corporate name without limitation, except where otherwise prevented by law. Such execution or signature will be binding on the Association.

## ARTICLE SIX

### MISCELLANEOUS

6.01 The Board will have full discretion over disposition of any and all funds accumulated by the Association (subject to the latest recorded Declaration of Covenants, Conditions and Restrictions, DCCR, Summer Mountain Ranch, Article VI, Maintenance Fund, Section 6.11, Financial Operation of Maintenance Fund) through any and all legal avenues. As of the date of recording for these Bylaws, the annual Maintenance Charge is assessed at a base rate of one hundred dollars (\$100) per lot for the calendar year beginning January 1, 2018. Beginning January 1, 2019 this base rate shall be increased annually by the CPI (Consumer Price Index) increase as determined by the Federal Government Bureau of Labor Statistics for the Dallas-Fort Worth MSA as reported for the twelve (12) month period ended September 30 each year, rounded up to the next whole dollar. In NO instance shall an annual increase under the CPI adjustment result in an increase in Maintenance Charge of greater than five dollars (\$5.00) or less than zero dollars (\$0.00) per year. Increases or decreases of annual Maintenance Charges shall be made in accordance with the DCCR. Other assessments on lots within Summer Mountain Ranch Subdivision will be made at the discretion of the Board subject to an approval by a majority of all Association voting members during a duly convened meeting of the members. A notice of changes made in annual Maintenance Charges or assessments made for special purposes will be filed as recorded instruments with the Records Section of Hays County, Texas.

6.02 The Board will have the authority to form committees and appoint committee members, as necessary, to assist in conducting the business of the Association. Committee members will be Association members and reside within Summer Mountain Ranch. Committees will be of such number and size to properly serve the functions determined by the Board, however there will always be a standing Architectural Control Committee. Committees appointed by the Board will be considered as "working groups" and not subject to the Texas Open Meetings Act. If three or

more board members are on a committee, then notice of that committee must be made and results summarized and published in the Board's minutes.

6.03 The Association will offer a payment plan to member to include all Maintenance Charges and other assessments which may be made against Subdivision lots. The policy for such method of payment is the "Summer Mountain Ranch Property Owners Association Payment Plan Policy" as recorded on the 24<sup>th</sup> day of January 2012, in Volume 4266, Pages 500-501 with the Records Section of Hays County, Texas. All funds of the Association will be deposited in a bank account owned by the Association. All demand withdrawal instruments and checks on these accounts will be co-signed by two persons authorized to do so by the Board. Persons signing such withdrawal instruments or checks will be members of the Association.

6.04 The Board is responsible for the security, maintenance and production, when required, of all records pursuant to various sections of the Texas Property Code.

6.05 All books and records required by statute will be open for inspection by Association members by appointment and at any reasonable time. Such inspections will be subject to conditions stated in the "Summer Mountain Ranch Property Owners Association Records Production Policy" as recorded on the 24<sup>th</sup> day of January, 2012, in Volume 4266, Pages 494-497, and the "Summer Mountain Ranch Property Owners Association Records Retention Policy" as recorded on the 24<sup>th</sup> day of January, 2012, in Volume 4266, Pages 498-499. Both policies are recorded with the Records Section of Hays County, Texas.

6.06 The power to alter, amend or repeal these Bylaws is vested in the Board subject to concurrence by a majority of voting members (as per 3.07) attending a properly convened property owners meeting called for that purpose. A quorum must remain present at the time the vote is taken.

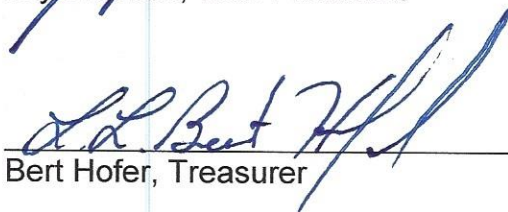
ADOPTED by the Board of Directors on the 6th day of September, 2017.

  
Karen Thormalen, President

  
Charmaine Wilde, Vice-President

  
Jay Wesson, Vice-President

  
Ronald Carman, Secretary

  
Bert Hofer, Treasurer

The Summer Mountain Ranch Property Owners Association Bylaws, dated June 15, 2012, is hereby replaced in its entirety by the above document. Executed this 6th day of September, 2017.

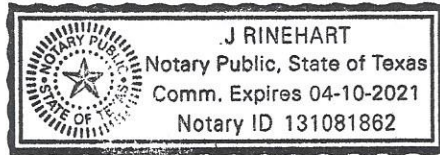
*Ronald Carman*

Ronald Carman, Secretary

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me on the 6<sup>th</sup> day of September 2017, by Ronald Carman, Secretary of Summer Mountain Ranch Property Owners Association, a Texas Corporation, on behalf of said Corporation.



*J Rinehart*

Notary Public, State of Texas

Instrument # 17031618 Number of Pages: 7  
Filed and Recorded: 9/7/2017 11:09 AM  
Liz Q. Gonzalez, Hays County Clerk, Texas  
Rec \$50.00 Deputy Clerk: VVALDEZ