

# **BYLAWS OF FRIENDS OF RIO NIDO**

**May 14, 2011**

**EXCEPT AS OTHERWISE PROVIDED BY CALIFORNIA STATUTE REGARDING ITS ARTICLES OF INCORPORATION, THESE ARE THE REGULATIONS OF THE FRIENDS OF RIO NIDO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION.**

## **ARTICLE ONE: NAME**

The name of this organization shall be **Friends of Rio Nido**, a non-profit organization, hereinafter referred to as **FRN**.

## **ARTICLE TWO: PURPOSE**

The purpose of the organization is: to serve the interests of the Rio Nido community by improving environmental protection, public service, and the historic and unique character of the community; and by pursuing other actions that will enhance the quality of life for the greater Rio Nido community.

## **ARTICLE THREE: OBJECTIVES**

The objectives of this association are:

- To aid in addressing Rio Nido community issues
- To make improvements within the Rio Nido community
- To foster community goodwill and cooperation for the benefit of all
- To represent and advance the interests of residents of Rio Nido
- To provide an environment of communication, education and understanding regarding community life and neighborhood issues within Rio Nido.

## **ARTICLE FOUR: LOCATION OF OFFICE**

The principal office of the FRN for the transaction of its business shall be: P.O. Box 184, Rio Nido, California 95471. The Board is granted full power and authority to change the principal office location.

## **ARTICLE FIVE: MEMBERSHIP**

The FRN shall have two (2) membership categories: Voting Members and Supporting (i.e. Non-Voting) Members.

### SECTION 1. ELIGIBILITY

- A. Voting membership shall be open to all individuals eighteen (18) and over, organizations, and or businesses residing in, owning property or operating in Rio Nido, California. Membership becomes effective to a qualifying party fourteen (14) days after a completed membership form is submitted.
- B. Non-voting supporting membership shall be open to all individuals 18 and over whom support the FRN purpose and objectives.
- C. Membership may be revoked by a majority vote of the Voting Members at a regular meeting.

### SECTION 2. RIGHTS OF MEMBERSHIP.

All Voting Members shall have one (1) vote. They shall have the right, as set forth in these Bylaws, to vote in the election of Directors, on agenda action items at membership meetings, on the disposition of all or substantially all of the FRN assets, and on dissolving the FRN. In addition, Voting Members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation law.

All members shall receive communications distributed by the Board via email.

## **ARTICLE SIX: ELECTION AND SELECTION OF THE BOARD OF DIRECTORS**

### SECTION 1. CANDIDATES.

The Board will make a request for Board candidates fifty (50) days before the annual election meeting. Voting Members may declare their candidacy by submitting a completed candidate form to the Secretary no later than thirty (30) days before the annual election meeting. Qualifying Candidate information will be mailed to Voting Members with the ballot.

### SECTION 2. VOTING

Ballots will be mailed to Voting Members at least twenty-one (21) days before the annual June election meeting. Members may mail their completed ballots to the FRN Election Committee, or place them in the ballot box at the election meeting. Mailed ballots must be received by the FRN

Election Committee no later than the day before the election meeting. The FRN Election Committee will receive, count and record the votes. The new Board members will be seated at the end of the election meeting.

## **ARTICLE SEVEN: BOARD OF DIRECTORS**

### **SECTION 1. GENERAL POWERS.**

Subject to the limitations stated in the Articles, these Bylaws, and the Nonprofit Corporation Law of California, the affairs of the FRN shall be managed by its Board of Directors.

### **SECTION 2. QUALIFICATIONS.**

A candidate for the Board of Directors must be a Voting Member of FRN.

### **SECTION 3. NON-DISCRIMINATION POLICY.**

As in all matters and activities of the FRN, no person shall be denied consideration or election to the Board based upon sex or sexual orientation, age, religious or political persuasion, physical disability, race or ethnic background.

### **SECTION 4. NUMBER OF DIRECTORS.**

The Board of Directors shall consist of five (5) members. All members of the Board shall be elected at large by the voting membership.

### **SECTION 5. TENURE OF DIRECTORS.**

The current Directors shall remain seated until the completion of the 2012 election when five (5) Directors will be elected. The three Directors with the highest vote count will serve two (2) year terms and the two remaining Directors will serve one (1) year terms. Thereafter Directors shall all serve two-year terms.

### **SECTION 6. REMOVAL FOR NON-ATTENDANCE.**

Board members are expected to attend all board, regular and special membership meetings. A member of the Board who is absent without prior notification and excuse of the President from three (3) successive meetings shall be informed by the President at least ten (10) days prior to the fourth meeting that absence at that meeting will be grounds for dismissal, subject to a majority vote of the Board of Directors.

### **SECTION 7. RESIGNATION OF A DIRECTOR.**

Any Director may resign by giving written notice to the President or the Secretary of the FRN. The resignation shall be effective when the notice is given unless it specifies a later time for the

resignation to become effective. Except upon notice to the California Attorney General, no Director may resign where the FRN would then be left without a duly elected Director or Directors in charge of its affairs. If the resignation is effective at a future time, a successor may be appointed by the Board to take office when the resignation becomes effective.

SECTION 8. VACANCIES.

A vacancy on the Board of Directors shall occur in the event of:

- A. The death or resignation of any Director;
- B. The removal of any Director, with or without cause, by a two-thirds vote of the Voting Members at a regular membership meeting.
- C. The increase in the authorized number of Directors; or
- D. The declaration by resolution of the Board of Directors of a vacancy in the office of a Director who has been declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under Nonprofit Corporation Law, Chapter 2, Article 3.
- E. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of such Director's term of office.

SECTION 9. FILLING VACANCIES.

Vacancies on the Board of Directors shall be filled by a majority vote of the remaining Directors. Any Voting Member may apply to fill the open position. Each Director so appointed shall hold office until the next Board election. Any Directorship to be filled by an increase in the number of Directors shall be filled by a majority vote of the membership.

**ARTICLE EIGHT: MEETINGS OF THE BOARD OF DIRECTORS**

SECTION 1. BOARD MEETINGS.

Meetings of the Board may be held at any place within or outside Rio Nido that has been designated by the Board. In the absence of such designation, Board meetings shall be held in Rio Nido.

SECTION 2. MEMBERSHIP MEETINGS.

- A. The Board shall schedule regular membership meetings. They will be noticed by email and public posting in Rio Nido seven (7) days prior to the meeting.

- B. The Board may schedule special membership meetings. They will be noticed by email and public posting in Rio Nido three (3) days prior to the meeting.
- C. A Voting Member may request that the Board place an item of FRN interest on the agenda of a regular membership meeting. Such a request should be made in writing to the Secretary at least fourteen (14) days prior to the next regularly scheduled meeting.

SECTION 3. ANNUAL ELECTION MEETING.

The Board shall hold an annual election membership meeting for the selection of Directors. This meeting shall be held during the month of June each year at a time and place in Rio Nido as specified by the notice.

SECTION 4. MEETINGS AND NOTICE OF MEETINGS.

The President or any two (2) Directors may call a meeting of the Board of Directors by delivering written notice to each member of the Board. Notice shall be delivered personally, electronic mail (email), facsimile (fax) or other similar written means of communication at least three (3) days before the time of the meeting. The notice shall specify the meeting time, place and the business to be transacted or discussed.

Any action required or permitted to be taken by the Board may be taken without a Board meeting if all members of the Board shall individually or collectively consent in writing or on email to that action. Such consent shall be filed with the minutes of the proceedings of the Board.

SECTION 5. QUORUM.

A majority of the Directors shall constitute a quorum for the transaction of business.

SECTION 6. ADJOURNMENT

A majority of the Directors present, whether or not a quorum, may adjourn any meeting to another time and place.

SECTION 7. COMMITTEES.

- A. Finance Committee. A Finance Committee shall be established consisting of the Treasurer and at least one other Director, working under the supervision of the Board. The Committee will prepare the annual budget and recommend fiscal oversight and policy to the Board.
- B. The Board may establish additional ad hoc and standing committees as warranted. Each committee will be given a written charge and be regularly review by the Board. The board shall select the Chairperson for each committee.

- C. The role of the Chairperson shall be to convene, preside over, and adjourn committee meetings. In the event that there is no Board member in attendance of a committee meeting, a summary of meeting discussions and decisions shall be made by the Chairperson in writing to the Board within three (3) days.

## **ARTICLE NINE: OFFICERS**

### **SECTION 1. OFFICERS.**

The Officers of the FRN shall be a President, Vice President, Secretary and Treasurer. Other Officers may be elected in accordance with the provisions of this article.

### **SECTION 2. ELECTION.**

The Board of Directors at its first meeting after the annual election meeting shall elect Officers. Each Officer shall hold office at the pleasure of the Board until their resignation, removal or other disqualification from service or until a successor is elected. Officers will serve one-year terms and may be elected for additional one-year terms.

### **SECTION 3. REMOVAL AND RESIGNATION.**

The Board may remove an Officer, either with or without cause. An Officer may resign at any time by giving written notice to the President or Secretary of the Board. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and unless otherwise specified the acceptance of such resignation shall not be necessary to make it effective.

### **SECTION 4. VACANCIES.**

The Board shall fill a vacancy of any office because of death, resignation, removal, disqualification or any other cause. The appointment shall be made by a majority vote of the Board of Directors at the next Board meeting. Should the President's office become vacant, the Vice President shall be President until the next Board meeting is convened.

### **SECTION 5. PRESIDENT.**

The President shall be the principal executive officer of the FRN, shall in general supervise and control business and affairs of the FRN, and preside at all meetings of the Board and Membership. The President shall be empowered to speak on behalf of the FRN.

### **SECTION 6. VICE PRESIDENT**

In the absence or disability of the President, the Vice President, if there be such Officer, shall perform the duties of the President, and when so acting shall have all the powers of and be

subject to the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by the Board of Directors.

SECTION 7. SECRETARY

The Secretary shall keep, or cause to be kept at a secured location, a book of minutes in written form of the proceedings of the Board of Directors, membership and committee meetings. Such minutes shall include the time and place of meetings, whether regular or special, and if special, how authorized, the notice given thereof, the names of those present at the meetings, and the proceedings. The Secretary shall keep, or cause to be kept, the original or a copy of the FRN Articles and Bylaws, as amended to date.

SECTION 8. TREASURER.

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the business transactions of the FRN. The books of accounts shall at all reasonable times be open to inspection by any Director. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the FRN with such depositories as may be designated by the Board. The Treasurer shall disperse the funds of the FRN as may be ordered by the Board, shall submit to the President and Directors whenever they request it an account of all transactions and of the financial condition of the FRN. The Treasurer shall chair the Finance Committee, have other powers and perform such other duties as may be prescribed by the Board.

SECTION 10. CONFLICT OF INTEREST

The FRN has adopted a Conflict of Interest Policy.

SECTION 11. COMPENSATION.

Board members shall not receive any compensation for services unless authorized by a two-thirds vote of the voting membership at a regular meeting.

**ARTICLE TEN: GRANTS, CONTRACTS, ETC.**

SECTION 1. GRANTS AND CONTRACTS

The Board of Directors may authorize the application for grants, and contributions, and otherwise obtaining financial assistance for the purposes of the FRN.

SECTION 2. SALE OF REAL PROPERTY AND OTHER ASSETS

The encumbrance, sale or disposal of any real property shall require a majority vote of the voting membership.

## **ARTICLE ELEVEN: NON-LIABILITY OF DIRECTORS, AND OFFICERS**

Directors, and officers shall not be personally liable for the debts, liabilities, or other obligations of the FRN.

## **ARTICLE TWELVE: FINANCE AND RECORDS**

### **SECTION 1. FISCAL YEAR.**

The fiscal year of the FRN shall be from July 1 though June 30, inclusive.

### **SECTION 2. BOOKS AND RECORDS.**

The FRN shall maintain an annual budget. The Board of Directors shall create a budget for approval by a majority vote of the voting membership at a regular meeting, within ninety days of the start of each fiscal year.

### **SECTION 3. FISCAL MANAGEMENT AND ANNUAL FINANCIAL REPORT**

The Treasurer and one other Board member shall administer the budget and create an Annual Financial Report. The Annual Financial Report will be made available to Voting Members and Directors not later than one hundred and twenty (120) days after the close of the fiscal year. Additional fiscal reports may be requested by Board action.

### **SECTION 4. CHECK SIGNING**

All checks shall be co-signed by the Treasurer and one other Board member.

### **SECTION 5. RECORDS OF THE CORPORATION.**

The FRN shall keep at its principal location in the State of California:

- A. Minutes of all meetings of directors and membership meetings, indicating the time and place of holding such meetings, whether regular or special, how called, and the notice given.
- B. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- C. A record of its members indicating their names and addresses and the class of membership held.



- D. A copy of the FRN articles of incorporation and bylaws as amended to date, which shall be open to inspection by the members of the FRN or posted publicly on the FRN website.

SECTION 6. FORM OF RECORDS.

Minutes, books and records shall be kept either in written form or in any other form capable of being converted into written form.

SECTION 7. INSPECTION OF CORPORATION RECORDS.

Every Voting Member and Director shall have the right to inspect the FRN books, records, and documents. The right of inspection includes the right to copy and make extracts of documents.

**ARTICLE THIRTEEN: BYLAWS AND AMENDMENTS**

SECTION 1. ADOPTION OF BYLAWS.

Bylaws will be adopted by a majority vote of the Voting Members at a regular membership meeting.

SECTION 2. AMENDMENT BY MEMBERS.

Subject to any provisions of law applicable to the amendment of bylaws of nonprofit corporations, these Bylaws may be altered, amended, or repealed and new Bylaws adopted as follows: By the majority vote of a majority of the Voting Members at a regular membership meeting except as otherwise provided by law or by the Articles, provided that written notice of the proposed change(s) be given at least twenty-one (21) days prior to such meeting.

**ARTICLE FOURTEEN: PARLIAMENTARY AUTHORITY**

Robert's Rules of Order shall govern meetings, insofar as such rules are not in conflict with these Bylaws and with the Articles of Incorporation.

**ARTICLE FIFTEEN: DISSOLUTION**

In the event of a dissolution of the FRN, the net assets of the FRN shall be applied and distributed as follows:

- A. All liabilities and obligations shall be paid, satisfied and discharged or adequate provision shall be made therefor.

- B. Assets held by the FRN upon condition requiring the return, transfer, or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements.
  
- D. Assets held for charitable, benevolent, educational or similar use, but not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, shall be transferred to one or more domestic corporations or other organizations engaged in charitable, benevolent, educational or similar activities, pursuant to a plan of distribution as provided by law provided however, said organization shall qualify under section 501(c)3 (or other applicable section) of the Internal Revenue Code, or current statutes.