

# **GRASSY RUN HOMEOWNERS' ASSOCIATION**

## **OPERATING RULE 17-08**

### **ELECTIONS**

#### **1. Purpose of Rules**

These rules are intended to govern all elections at which binding decisions are made by and/or for the Grassy Run Homeowners' Association ("Association"). They do not govern or apply to elections where the results are not intended to be binding upon the Association, such as advisory elections, "straw polls," requests for a "sense of the community," or other requests for opinions of the Association's members on subjects not expressly presented by the Board of Directors ("Board") of the Association to the members of the Association for the purpose of the rendering of binding decisions by the members. As used in these rules, the term "election" shall refer only to those elections that seek and would result in binding decisions by the members of the Association.

As used in these rules, the term "election" includes election of members of the Board, election to any elective office position which may be created by the Board, imposition of changes to annual assessments against parcels within the Grassy Run community ("Grassy Run"), imposition of special assessments against parcels within Grassy Run, amendments to the governing documents of the Association, any other election to which reference is expressly made in the governing documents of the Association, and such other matters as the Board may in its sole and exclusive discretion determine to refer to the members of the Association for binding decision. As used in these rules, the term "Governing Documents" includes, but is not limited to, the Association's (i) Articles of Incorporation, (ii) Declaration of Covenants and Restrictions, (iii) By-Laws, (iv) Resolutions, (v) Operating Rules, (vi) Policies, and (vii) any other Association document by which the Board governs the Association.

#### **2. Notice of Election**

Notice of the date, time, place and manner of holding of each election of directors and other holders of elective position must be given at least sixty (60) days prior to the holding of such election. Notice of the date, time, place and manner of holding of any other election must be given at least thirty (30) days prior to the holding of such election. These time requirements do not apply, however, to any election as to which the Board finds that emergency circumstances render them infeasible; in the event of emergency, reasonable notice is to be given, in a manner calculated by the Board to give the widest degree of actual notice feasible.

#### **3. Election of Directors and Other Holders of Elective Position**

The President of the Association must select a Nominating Committee consisting of at least three members of the Association to recommend to the Board at least one candidate for nomination to each elective office, whether newly created or existing, including but not limited to membership on the Board, as to which the term of the existing holder of that position is scheduled to expire immediately following the next regularly scheduled election of the Association. In addition, any eligible member of the Association may nominate himself or herself, or any other eligible

member of the Association, for election to the Board and/or any elective office, by giving written notice thereof to the Nominating Committee. Candidates must be willing and able to serve. To be printed on the ballot, all such nominations must be made at least forty-five (45) days before the date scheduled for the election. Nominations may also be made from the floor at the elections meeting. As of the date of adoption of these rules, there are no elective positions within the Association other than membership on the Board.

All candidates for election to the Board or any other elective position must be owners of parcels, and must be resident, within the Association. No person is eligible for, or may be a candidate for election to, the Board or any other elective position if that person is delinquent in payment of dues, fines or assessment of the Association, or has been charged with, and has not resolved, one or more violations of the governing documents of the Association. For purposes of this Rule, any member current in the making of timely payments on an approved payment plan for the payment of past-due assessments will not be deemed delinquent in the payment of assessments. A member must have been free of any multiple violations for one year before becoming eligible to be a candidate.

#### 4. Election Procedures Generally

Eligible members of the Association are entitled to vote on the basis of one vote per parcel. Non-resident parcel owners are eligible to vote in any Association election. Each such vote has the same effect and force as each other such vote. No person may be eligible to vote if that person is delinquent in payment of dues, fines or assessment of the Association, or has been charged with, and has not resolved, one or more violations of the governing documents of the Association. For purposes of this Rule, any member current in the making of timely payments on an approved payment plan for the payment of past-due assessments will not be deemed delinquent in the payment of assessments.

Voting may be in person at any regular or special meeting of the Association called for that purpose, or by proxy, or by mail. All proxies, and all ballots, submitted by mail must be mailed to the Inspector of Elections, 5555 Grassy Run Road, Placerville, CA 95667, as hereinafter described, by such time as to insure that they are received by said Inspector by the date of the election. Alternatively, completed proxies and ballots may be personally delivered to the Inspector at the address of the Inspector set forth in the instructions accompanying transmittal to the members of blank forms of proxies and ballots. It is the responsibility of the member mailing such proxy and/or ballot to assure such timely receipt, and neither the Inspector nor the Association are required or permitted to count or consider mailed proxies or ballots which have not been timely received.

#### 5. Equality of Advocacy

If any candidate or member advocating a point of view is provided access to Association media, newsletters, or Internet Web sites during a campaign, for purposes that are reasonably related to that election, equal access must be provided to all candidates and members advocating a point of view, including those not endorsed by the board, for purposes that are reasonably related to the election. The Board and/or the Association may not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Board or the Association, is responsible for that content.

## 6. Inspector of Elections

The Board must appoint an independent third party as Inspector of Elections ("Inspector"). The Inspector must be a parcel owner and resident within the Association. The Inspector may appoint and oversee additional persons to verify signatures and to count and tabulate votes as the Inspector deems appropriate, provided that those persons are independent third parties and are also parcel owners and residents within the Association. The term "independent third party," as used in these rules, means that neither the Inspector nor any additional persons appointed by him or her may be a member of the Board, a candidate for the Board, or related to a member of the Board or a candidate for the Board, or a resident of a parcel as to which a member of the Board is also a resident, or employed by or under contract to the Association for any compensable services.

The Inspector must do all of the following:

- Determine the number of memberships entitled to vote and the voting power of each.
- Determine the authenticity, validity, and effect of proxies, if any.
- Receive ballots.
- Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
- Count and tabulate all votes.
- Determine when the polls shall close, consistent with the governing documents.
- Determine the tabulated results of the election.
- Perform any acts as may be proper to conduct the election with fairness to all members in accordance with these rules and all other applicable rules of the Association regarding the conduct of the election that are not in conflict with these rules.

The Inspector must perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as is practical. The Inspector is not required to make any written report, unless requested to do so at the time the election is conducted. Any report made by the Inspector, however, is prima facie and presumptive evidence of the facts stated in the report.

## 7. Secret Ballot

Elections regarding

- assessments legally requiring a vote,
- election and removal of members of the Board, or
- amendments to the governing documents,

shall be held by secret ballot. For such purposes a quorum shall be required, and each ballot received by the Inspector, including a blank ballot in a signed envelope, is to be treated as a member present at a meeting for purposes of establishing a quorum.

## 8. Proxies

For purposes of this section, the following definitions apply:

- "Proxy" means a written authorization signed by a member or the authorized representative of the member that gives another member

or members the power to vote on behalf of that member.

- "Signed" means the placing of the member's name on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or authorized representative of the member.

Proxies will not be construed or used in lieu of a ballot. The Association may use proxies if permitted or required by its bylaws and the Association's other governing documents, but the Association is not required to prepare or distribute proxies.

Any instruction given in a proxy issued for an election that directs the manner in which the proxy holder is to cast the vote must be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain. The proxy holder must cast the member's vote by secret ballot. The proxy may be revoked by the member prior to the receipt of the ballot by the Inspector.

#### 9. Ballots

Except for the meeting to count the votes required in Section 10 of these rules, an election may be conducted entirely by mail, or at a regular or special meeting of the Association called for that purpose.

Ballots and two pre-addressed envelopes with instructions on how to return ballots must be mailed by first-class mail or delivered by the Association to every member not less than 30 days prior to the deadline for voting. In order to preserve confidentiality, a voter may not be identified by name, address, or lot, parcel, or unit number on the ballot. The Association must use the following procedures to ensure confidentiality of voter absentee ballots:

- The ballot itself must not be signed by the voter, but must be inserted into an envelope that is sealed. That envelope must be inserted into a second envelope that is sealed. In the upper left hand corner of the second envelope, the voter must sign his or her name, indicate his or her name, and indicate the address or separate interest identifier that entitles him or her to vote. Any proxy must be inserted into the second envelope, separate from the first envelope.
- The second envelope must be addressed to the Inspector. That envelope may be personally hand-delivered to the Inspector, or may be mailed to the Inspector at 5555 Grassy Run Court, Placerville, CA 95667.

#### 10. Vote Count

All votes must be counted and tabulated by the Inspector and any person or persons assisting the Inspector in public at a properly noticed open meeting of a quorum of the members; provided, however, that if for any reason or reasons beyond the control of the Association no such open meeting can be held, the votes may be counted and tabulated by the Inspector and any person or persons assisting the Inspector privately. Any candidate or other member of the Association may witness the counting and tabulation of the votes at the open meeting. In the event that a private counting and tabulation of the votes has become necessary and upon a request by any candidate or member of the Board of Directors, the Inspector shall deliver the privately opened, counted and tabulated ballots to the Board of Directors

for verification, at which verification proceeding any requesting candidate may be present. No person may open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. The Inspector, or his or her designee, may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated.

A majority of the votes of members eligible to vote who are voting in person, or by mail, or by proxy, at any meeting called, in whole or in part, for such purpose is required to waive, modify, change, alter, cancel or terminate the provisions of the Declaration of Covenants, Conditions and Restrictions or the Bylaws, to change the maximum and/or basis for annual assessments, or to levy a special assessment applicable for that year only. No such vote of the members, however, is required to waive, modify, change, alter, cancel or terminate the provisions of the Operating Rules of the Association.

With respect to elections to the Board of Directors, the persons receiving the largest number of votes at any election as described hereinabove, at or for which a quorum of members is present or for which the number of properly completed ballots submitted by a quorum of members eligible to vote exists, will be deemed to have been elected and will take office at the close of the meeting or counting of the ballots, or at such other time as the elected person consents thereto.

#### 11. Election Results

The tabulated results of the election must be promptly reported to the Board. They must be announced at, and recorded in the minutes of, the meeting at which the election occurred or, if the election occurred by mail, at the next meeting of the Board. They will also be available for review by members of the Association. Within 15 days of the election, the Board must publicize the tabulated results of the election in a communication directed to all members. That publication may be by e-mail communication to all members who have given e-mail addresses to the Board and by posting on the Association's bulletin boards and website. No challenge to the results of the election may be made more than three (3) months after the date of the election.

#### 12. Custody and Retention of Ballots

The ballots at all times will be in the custody of the Inspector or at a location designated by the Inspector until after the tabulation of the vote, and for a period of three (3) months after the election. Custody of the ballots will then be transferred to the Association. If there is a recount or other challenge to the election process, the Inspector must, upon written request, make the ballots available for inspection and review in the presence of the Inspector by an Association member or his or her authorized representative. Any recount must be conducted in a manner that preserves the confidentiality of the vote. After the transfer of the ballots to the Association, the ballots are to be stored by the Association in a secure place for no less than one year after the date of the election.

**ADOPTED BY THE BOARD OF DIRECTORS OF THE GRASSY RUN HOMEOWNERS' ASSOCIATION** at regularly scheduled meetings described in the History set forth below.

History: Adopted by the Board on an Emergency Basis 10/29/08 and distributed to Members 10/30/08. Amendments proposed 12/9/08 and distributed to Members

12/10/08. Adopted by the Board with amendments 1/28/09.

Board approved amendment for distribution to Members 4/28/10 and distributed to Members 5/28/10 for comment at 6/30/10 Bd of Directors' meeting. Amendment adopted by the Board on 6/30/10.

Board approved amendments adopted on 6/28/17 at regularly scheduled Board Meeting.

Board approved amendments to Sections 9 and 10, adopted by the Board on 11/30/21 and 1/25/22 at regularly scheduled Board Meetings.