

**Sylvan Shores Property Owners Association  
Board Meeting Minutes  
June 13, 2015**

Mary Ann Donovan, President, called the board meeting to order at 10:00 a.m.

**Roll call-** All members present: Mary Ann Donovan –President, Polly Brown - V. Pres, Joan Morphew - Treasurer, Judy Fricke, Terry Chacos, Ann Dibb-Secretary

**Review of minutes:**

March 14, 2015 minutes: Judy Fricke noted a correction that Lincoln Messner read the treasury report rather than Arlene Grover. A motion was made by Terry Chacos to correct the minutes to reflect that ‘Lincoln Messner resigned effective immediately, the board asked him to stay to the end of the annual meeting’. Judy seconded. Audio of the dialogue was played. Discussion took place. Vote: 3 Yes/ 3 No. Motion failed. Judy Fricke made a motion to accept the minutes as amended, with a notation of the failed motion. Ann Dibb seconded. Vote: All in agreement.

May 2, 2015 minutes: Correction was noted regarding the individuals expressing interest in the board appointment. Joan Morphew made a motion to accept the minutes as amended. Judy Fricke seconded. Motion passed with all yes votes. Corrections noted: Amend: There were individuals who expressed interest in the appointment through board members. Strike: Betsy Berglund, Phil Miller and Mary Linker all expressed interest in the appointment. Notation: There was a failed motion to amend the minutes to read: ‘Lincoln Messner resigned effective immediately, the board asked him to stay to the end of the annual meeting’ Motion failed.

May 30, 2015. Ann Dibb made a motion to approve. Judy Fricke seconded. All approved.

**The agenda** for the meeting was reviewed. Ann Dibb made a motion that the meeting adjourn at noon. Terry Chacos second. Vote: 3 Yes/3 No. Motion failed. Judy Fricke requested that the term “old business” be replaced with “Unfinished business” in agendas and minutes and “times restrictions for guidance only” be noted on agendas. The following items were requested to be added to the agenda: 1). Filling of 7<sup>th</sup> position, 2) Email alerts to members, 3) Army Worms, 4) Pool attendant. A move to accept the amended agenda by Judy Fricke, Joan Morphew seconded. Vote: 4 Yes/1 No. Agenda accepted.

**Treasurer’s Report** was read by Joan Morphew (10:20 am)

Assessments rec'd	\$ 140,402.56
Springer Collections	1,074.57
Camping income	7,586.00
Capital Reserve Account	
5 year annuity, Athena 12/31/17	13,338.92
3 x State Farm CD 60 mo -10/19	76,071.09
State Farm CD 60 month 3/20	25,089.15



- A. Board Member Term Limits 2016/2017. Judy Fricke spoke to a proposal to amend the bylaws regarding term limits. She requested that these be posted to the web site as an attachment to the minutes. Asking members to look at and not act until a future date. Judy moves to postpone to the topic of Board Member Term Limits 2016/2017 to next meeting. Ann seconded. Vote: All in favor. Motion passed. (See recommended amendment in appendix at the end of these minutes).
- B. Pine Island Lake access. There has been damage at this access. Due to the damage at the landing on Pine Island Lake, a gate was installed. In order to gain access to the lake today, owners are required to coordinate obtaining a key in advance. As an alternate solution it is recommended that the office have several locks, with two keys, to sell to owners (no profit), to piggy back with their lock, to create a 'chain of locks'. This allows for owners to have access more conveniently. Locks would be removed if owner is in arrears. Mary Ann made a motion to have Sharon purchase the locks. Amended by Judy to purchase 10 locks and purchase more upon request. Polly seconded. Vote: 5 Yes/1 No. Motion passed.
- C. Propane Contract. Sharon Kadlec made a suggestion to purchase 3000 gallons as was done in the past. Joan Morphew made a motion to accept the recommendation to purchase. Polly Brown seconded. No discussion. Vote: All in favor. Motion passed.
- D. Structure around engagement with attorney: Ann Dibb made a motion a procedure be adopted for engaging in dialogue or correspondence with the attorney to avoid unnecessary or frivolous expense. Judy seconded. The procedure be: Board must agree by majority vote that the question should be raised to the attorney. The president, secretary or office manager may arrange or facilitate the engagement as directed by the board. The board be copied on all correspondence; 1) In person or conference calls: A quorum must be present for in person dialogue and telephone conference calls. Notes must be documented. 2) Email: The board members must be copied on all email correspondence. 3) Mail: an electronic copy to be retained of mail correspondence and board members copied. Electronic copies of correspondence to be maintained in SSPOA office and available for review by the board and members (providing the information not confidential). Vote: 5 Yes/1 No. Motion passed.
- E. Create Committee to review Covenants. Judy Fricke moved to assemble a committee to review and create resolutions to update and propose changes to SSPOA bylaws and covenants. The committee will consist of not more than seven (7) members, with each member of the board selecting a member to the committee if they choose. Terry Chacos seconded. Mary Ann made a motion to amend the motion to "including office manager as advisor of committee" as part of the committee. Polly seconded. Vote: all agreed. Motion passed. Request that something be put on the web site to solicit those interested in being on this committee by July 31 to respond with interest. Keep this on unfinished business
- F. Insurance Coverage for association & board. Terry Chacos was seeking to understand if the board members were covered if sued. Sharon provided the contract and each member is covered up to a million dollars. The policy is paid for this year through Nov 7th.
- G. Property tour. Took place on May 26th with 4 other board members. Letters have been sent. Have heard back from a couple on their plans or solution to what we found. Members have 30 days to address issues or respond. After 30 days Sharon performs a recheck and sends thank you letters for those who have made improvements. Noncompliance after 30 days results in \$100 per month per

issue collected through notices. Throughout the year there is follow up on complaints received. Examples include: # of vehicles, use of campers on property, general clean up and upkeep.

Agenda progress touchpoint: Ann Dibb made a motion that the board allow for open forum and adjourn at noon. Postponing the remaining new business. No second. Motion dropped.

- H. The recording of board meetings to be backed up on USB drive or computer. This already occurs as recordings are backed up on computer and also daily back-up is performed offsite.
- I. Create a book of motions as a handy reference for the SSPOA board and office to be able to refer to past motions and maybe reduce the time we would spend on issues that have already been raised and dealt with.. It was recommended that this be added as a task for the new committee to look at covenants and bylaws.
- J. Make the March 4, 2015 (5 page) attorney opinion letter (RE: Sylvan Shores Property Owners Association -the Association”) available to any member who requests it. There is a concern that there are sections deemed confidential. Judy Fricke made motion to allow Sharon to contact the attorney to see if the March 4th attorney opinion letter could be made available to the members upon request. Ask for clarification as to what should not be shared. Polly Brown seconded. Vote: all agree. Motion passed.
- K. Proposed amendment to SSPOA By-Laws Article IX Section 2: Number of Directors; submitted by Terry Chacos June 2, 2015 (revision 0). Terry Chacos made a motion to amend the bylaws to increase the size of the SSPOA board of directors from 7 to 9. Judy seconded. Discussion: Current bylaws indicate that the board must have 7 members. Our attorney indicated that a quorum regardless of 6 or 7 board members is 4, therefore the board can conduct business with 6 members. If the board were to increase the members to 9, the positions would need to be filled via election, not appointment. There was recommendation we have a special election. Vote: 1 Yes/5 No. Motion failed.

#### **Other Agenda items:**

- A. Filling of 7th position: Judy Fricke made a motion to rescind the motion approved on May 30 “to postpone the appointment of a 7<sup>th</sup> board member until the next election, after discussion with attorney regarding legitimacy of running the board with 6 members and not filling the vacancy”, so other options can come forward. Terry Chacos seconded. Vote: 2 Yes/4 No. Motion failed. It was discussed that there was not a follow up recommendation. Decided to address after mediation with Joel Linker. Terry Chacos made a motion to accept Joel Linker’s (mediator/mediation trainer) offer to facilitate mediation with the board members and Sharon, free of charge regarding the deadlock on filling 7<sup>th</sup> board member. Judy seconded. Vote: all agree. Motion passed. Ann Dibb and Joel Linker to get together to discuss possible dates. (90 minutes to 2 hours – all to be present)
- B. Army Worms: A property owner asked if SSPOA would be addressing army worms causing damage. The board determined this is not something covered by the association. Dues are to cover maintenance of common grounds, not individual property Sharon will respond.
- C. Email alerts: Judy Fricke made a motion to have Maggie (web site mgr.) place something on the website to solicit members’ email addresses for those who want email alerts, and how to provide SSPOA with their email addresses. The office mgr. would then send out email alerts, reminders and notices of meeting notes to those who have requested such. Also, when there are planned events or

the board requests that members should receive notification of agenda items or events. These email alerts to be done with minimum 7 day notice when possible, or if less than 7 days as soon as possible. Ann second. Judy will work with Maggie to define the process. Vote: all agree. Motion passed.

Awareness:

D. Pool attendant: Topic was tasked to advisory committee.

**Adjourn** Motion to adjourn was made by Ann Dibb. Motion was seconded. Motion passed with all yes votes. Meeting adjourned at 12:36 p.m.

Submitted by  
Ann Dibb, Secretary

<b>Appendix:</b>	
Unfinished business: Letter from attorney defining “residence vs. residential”	To: Sylvan Shores Property Owners Association From: Tom Mathews Re: Question raised at the March 14th meeting Date: March 17, 2015  A question was raised as to the meanings of “resident” and “residential”. The question may come the use of “residential” in Article VII, Section 1: “All lots... shall be used for residential purposes only, and no business, commercial or manufacturing enterprises shall be conducted on the premises.” The word “residence” is found in Article VII, Sections 2 and 4. The dictionary definition of “residence” is the place in which one lives, a dwelling. “Residential” is an adjective meaning that

	<p>relating to a residence (or a dwelling). I agree that any structure built on an association lot that is subject to the declaration, must be used for a non-commercial purpose that is, relating to the use of the residence. Anything relating to the use of a residence means for residential purposes. A structure to be constructed solely for residential use does not permit a non-commercial used garage to be constructed on a lot without the construction of a dwelling or residence. The controlling provision is also found in Article VII, Section 1: “No building<sup>1</sup> shall be erected, altered, placed or permitted to remain<sup>2</sup> on any lot other than one single family dwelling<sup>3</sup> not ...” 1) A garage, whether detached or an accessory structure, is included as a “building”. 2) This would indicate that any current non-permitted structures are in violation of the restriction. 3) Single family dwelling would mean single family residence. Again, I reaffirm my opinion that the clear language prohibits any structure to be constructed on a lot unless the structure is a dwelling/residence. A garage may be constructed as an accessory use on a lot that has a dwelling but the garage cannot be the primary use.</p>
<p>New Business/Board Member Term Limits 2016/2017.</p>	<p style="text-align: center;"><b><u>Amendment for Term Limits</u></b></p> <p>Sylvan Shores Property Owners Association Bylaws (as Amended);</p> <p>As stated per Article XIV;</p> <p>“These By-Laws may be amended by affirmative vote of two-thirds (2/3rds) or more of the votes of the members of the Board of Directors who are present and entitled to vote on the proposed amendment at any meeting of the Board, provided that notice of the meeting and of the proposed amendment shall be given in accordance with these By-Laws; provided further that the Members of the Association, by a majority vote of the Members voting at a meeting duly called for the purpose, may prospectively revoke the authority of the Board to exercise the power to amend these By-Laws. In addition to the foregoing provisions for the amendment of the By-Laws, the Members of the Association may amend the By-Laws by an affirmative vote of fifty-one percent (51%) or more of the votes of all Members entitled to vote at a special meeting called for that purpose in accordance with the provisions of Article V, Section 3.”</p> <p style="text-align: center;"><b><u>Article XV, Section 4</u></b></p> <p>Whereas, currently all Directors serve a two (2) year term and, Whereas, this allows the possibility of the election of an entire new board, and Whereas, this could then create a board with no experience as it relates to the workings of SSPOA, and Whereas, beginning with the 2017 election, for one election cycle only, the top four Directors with the highest vote are elected to two year terms and the fifth, sixth and seventh are elected to one year terms. After which than all Directors will be elected to two year terms. This allows for two-thirds (2/3) of the Directors to be elected in odd numbered years and the remaining Directors elected in even numbered years. Therefore be it resolved, that to maintain some consistency of experience on the board, Article XV, Section 4 will be amended to state;</p>

“Section 4. At the first annual meeting of the Association to be held after the end of the Initial Development Period, five Directors shall be elected from the membership of the Association. The three Directors receiving the highest number of votes shall be elected to two year terms. The Directors receiving the fourth and fifth highest totals of votes shall be elected to one year terms. Thereafter, *beginning with the 2017 election, for one election cycle only, the Directors with the top four highest votes will serve a two year term. The Directors receiving the fifth, sixth and seventh highest votes shall be elected to one year terms. As provided for in Article IX Section 2; If by resolution the Board of Directors increase the number of Directors, the highest number of votes for the top two-thirds (2/3) will serve two year terms starting with odd numbered years and the remaining will serve one year terms ending in even numbered years.* Thereafter, Directors shall be elected to terms of two years. *As provided for in Article IX, Section 2, (C) 1. The Nomination/Election committee will post notification of the number of vacancies and the terms for which they will serve at the time of the election.*”