

DRAFT

(Subject to approval at upcoming board meeting)

**Sylvan Shores Property Owners Association
Board Meeting Minutes
July 29, 2017**

Call to Order - Patrick Fiscus, President, called the board meeting to order at 10:00 a.m.

Roll call- Board members present: Patrick Fiscus-President, Joan Morphew-Vice President, Polly Brown-Treasurer, Melissa Hurd-Secretary, Carol Kollodge, Phil Miller, and Jarrid Roulet.

Review the Minutes meetings of May 6, 2017. Joan Motioned to accept the minutes as written. Patrick Seconded. All in Favor, motion passed.

Additions to/Approval of Agenda- Joan motioned to add discussion regarding credit card fees and replacement of windows in the clubhouse.

Treasurer's Report- Polly Brown shared the Treasurer Report. Polly noted the annuity that expires in August 2017 will not be renewed as funds are required for new windows in the clubhouse.

Revenues As Of 05/04/17		
Assessments Collected	\$	113,833.00
Interest Income	\$	148.00
Springer Collections	\$	-
Camping Income	\$	1,330.00
Interest Income on CD's	\$	930.80
Other Clubhouse Income <i>(Property for Sale Books, Permits, Soda Machine, etc.)</i>	\$	341.78
Total Income (As of 05/04/17)	\$	116,583.58
Capital Reserve Accounts As of 05/04/17		
5 year Annuity, Athene 8/17*	\$	13,987.27
3x State Farm CD 60 mo – 10/19*	\$	79,104.18
State Farm CD 60 mo 3/20*	\$	26,089.50
4x State Farm CD 60 mon 1/22*	\$	100,336.76
<i>*(Interest income of \$930.80 included)</i>		
Total Capital Reserve Accounts	\$	219,517.71
Funds Available As of 05/04/16		
Petty Cash	\$	129.38
Checking		
-Unity Bank Central	\$	23,679.81
-Unity Bank Money Market	\$	187,220.04
<i>(Land savings of 1461.61. This amount in checkbook)</i>		
Operating Expense Savings Account	\$	211,029.23
Total Funds	\$	430,546.94

Reports:

Management Report: Carol provided the management report: She stated the campground is full and members that are camping are happy with how everything is looking not only at the campground but also at the clubhouse.

Finance Committee- Polly stated that we have learned we cannot charge a percent of charged amount that we must charge a fee in lieu of this. Therefore, we will immediately begin charging a flat fee of \$4.75 for each use.

Architectural Committee – Patrick shared that two permits were requested. One was approved for a deck and one addition that is pending.

Entertainment Committee – Joan noted there will be a potluck following the annual meeting. SSPOA will provide chicken and potato salad. Please bring a dish to share. We will also be having a speaker at the annual meeting with the topic being composting and rain barrels. Speaker will be at 9:30 am. Also, a meet and greet will take place after today's meeting.

By-Laws/Covenants Committee – Melissa stated by-laws will be discussed as new business.

Unfinished Business

1. Code of Ethics: Melissa stated that we have revised the Code of Ethics. There were a few additions and deletions. A copy of the Code of Ethics has been provided to each board member. The Code of Ethics will be posted on the SSPOA website for your review.
2. 2017 Board of Directors Candidate Filing Update. We have five (5) open board positions, with six (6) candidates. Candidates are: Joanne Folkert, Arlene Grover, Jarrid Roulet, Ed Hammerman, John Hodges and Larry Jones.

New Business:

1. Approval of Emergency Siren Repair Invoice – Carol explained the emergency sirens at the last test did not sound. SSPOA owns the sirens; therefore, we contacted a repair company. The batteries in the sirens needed to be replaced. Cost was \$2,004.87. Motion to approve by Joan. All in favor. Motion passed.
2. Annuity Expiration Date of Aug 2017 – Polly confirmed the annuity with Athene will not be renewed. The plan is to use the \$14,000 to finance the replacement of windows in the clubhouse. There are a total of 31 windows and we will begin to replace those that are in the worst condition first. Joan motioned to cancel the annuity. Polly seconded. All in favor. Motion passed.
3. Review Proposed By-Law Resolutions – Melissa discussed the proposed changes to the By-Laws. To be transparent with members, the board reviewed with the members, present at the meeting, to allow for an open discussion. (A copy is included in the Appendix.) After this discussion, the proposed resolutions will be sent to the attorney for review and comment. The board will take member feedback, of those present at this meeting, and vote after attorney's comment is received.

Open Forum – Topics were discussion only; no motions or decisions made.

Meeting Adjourned: 10:51 am

Submitted by: Melissa Hurd, SSPOA Secretary

APPENDIX

**ARTICLE V, Section 2
Annual Meetings**

-1-

WHEREAS, based upon the majority of those present at the June 11, 2016 by-laws meeting, the majority in attendance preferred that the Annual Meeting remain a previous years as the first Saturday of May, Therefore, be it

Resolved that Article V, Section 2 will be amended to read as follows:

Section 2. Annual Meetings. There shall be an annual meeting of the Association to be held on the ~~first Saturday of May~~ ~~Saturday next preceding the first Monday of September~~, and at such time and place as the Board of Directors shall prescribe. Written notice of the annual meeting shall be mailed at least ~~ten (10)~~ twenty (20) days prior to the meeting to each Member entitled to notice of and to vote thereat, in the United States Mail, first class, postage prepaid, to the last known address of such Member as his name appears upon the books of the Association. Notice shall be deemed to be delivered when deposited in the mail.

Adopted _____ Failed _____ Referred _____ Amendment _____

**ARTICLE IX
The Board of Directors**

-2-

WHEREAS, a member in good standing is defined in Article III, Section 7 and,
WHEREAS, Article III, Section 8 does not exist and,
WHEREAS, a member who is not in good standing has membership suspended and,
WHEREAS, the current article does not provide an effective date as to when the board member is to be removed if not in good standing, Therefore be it

Resolved that Article IX, Section 2, be amended to read as follows:

Section 2. Number of Directors. Directors shall be elected at the annual meeting of Members as provided for in Section 3 of this Article. The number of Directors shall be seven (7). Directors must be Members in good standing and must remain a member in good standing, as defined per Article III, ~~Section 8~~, Section 7, during their term in office and if not will be removed immediately from the Board of Directors. No Director shall receive a salary for services performed unless he is also an employee of the Association. Directors and Officers may be compensated for reasonable expenses incurred while so acting.

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX, Section 3

Election of Directors

-3-

WHEREAS, to provide clarity to the understanding of the number of votes to be cast by each member for the Election of Directors, Therefore be it

Resolved that Article IX, Section 3(A), be amended to read as follows:

Section 3(A). Election of Directors.

~~Election of Directors shall be by written ballot as is hereinafter provided. In all elections of Directors, each member in good standing entitled to vote pursuant to Section 2, Article III, shall be entitled to vote as many votes as shall equal the number of votes which he is entitled to cast on any matter, but cumulative voting shall not be allowed. The voter shall be entitled to only one vote for each lot for each candidate.~~ one vote per lot, for each open board position.

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX, Section 3

Election of Directors

-4-

(If Article V, Section 2, Annual Meeting Passes)

WHEREAS, the annual meeting has been amended from September to May and,

WHEREAS, the election of directors schedule must be amended to reflect the annual meeting amendment, and,

WHEREAS, members should be provided with an enhanced understanding of candidates which should include their vision/goals they wish to see accomplished during their term if elected,

Therefore be it, *Resolved that Article IX, Section 3(B), be amended to read as follows:*

Section 3(B). Election of Directors.

In the year 2017, ~~B~~between the first and fifteenth day of July, any Member in good standing may file with the Secretary of the Association a statement of his or her candidacy for election as a Director of the Association for the term beginning immediately following the annual meeting of the Association held after the filing of such statement. Beginning in 2018, and thereafter, between the first and fifteenth day of March, the Secretary of the Association shall cause notice of each candidacy and a brief ~~biographical~~biography and vision statement ~~of from~~ each candidate to be included in the notice of such annual meeting.

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX, Section 3

Election of Directors

-5-

WHEREAS, voting ballots are and should be accepted by the secretary until the annual meeting commences, and,

WHEREAS, ballots are accepted via US mail and are not required to be delivered by personal delivery to the secretary, Therefore be it

Resolved that Article IX, Section 3(E), be amended to read as follows:

Section 3(E). Election of Directors.

After voting, ballots shall be returned in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed envelope which shall bear on its face the name and signature of the Member, their lot number, and such other information as the Board may determine will serve to establish his/her right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary of the Association by mail at such address as the Board may from time to time determine so as to be received no later than ~~three (3) days one (1) hour~~ prior to the commencement of the annual meeting ~~or by personal delivery to the Secretary. at the annual meeting.~~

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX, Section 9

Action Presumption of Assent

-6-

WHEREAS, a director has a right to abstain from a vote to cause the motion to be referred and,

WHEREAS, it should be the intent of the board to ensure all directors understand the motion at hand to ensure a vote can be obtain by each director, Therefore, be it

Resolved that Article IX, Section 9, be removed in its entirety

Section 9. Action Presumption of Assent.

~~Section 9. Presumption of Assent.~~

~~A Director or Committee member who is present at a meeting of the board and/or committee, when action is taken is deemed to have assented to the action taken unless;~~

~~(a) — Objects at the beginning of the meeting to the transaction of the business because the meeting was not properly called or convened and does not participate in the meeting, in which case the director is not considered to be present at the meeting.~~

~~(b) — Votes against the action at the meeting; or~~

~~(c) — Is unable to vote because the director has a material financial interest in the matter which is not disclosed of and approved of in accordance with Minnesota Statutes 317A.255 or a conflict of interest policy adopted by the Board.~~

Adopted _____ Failed _____ Referred _____ Amendment _____

(If Article IX, Section 9 is passed)

Section 10. Action With-out Meeting is renumbered to **Section 9.**

(If Article IX, Section 9 is passed)

Section 11. Quorum is renumbered to **Section 10.**

ARTICLE IX, Section 12

Term

-7-

(If Article IX, Section 9 is passed)

Section 12. Term. is renumbered to **Section 11.**

WHEREAS, to provide clarification to a term and,
WHEREAS, to discourage the cause of a completely new board in any one election
Therefore, be it
Resolved that Article IX, Section 12, will be amended as follows:

~~**Section 12. Term.** All Directors shall serve until their successors are elected. If the election would result in a completely new Board, 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. 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 the remaining will serve one year terms. Thereafter, Directors shall be elected to terms of two years. No Director can serve more than two (2) consecutive terms.~~

~~*A term runs from annual meeting to annual meeting. If there are more than four (4) openings for director positions, the candidate receiving the four (4) highest votes will serve two (2) terms. The candidates receiving the fifth, sixth and seventh highest votes shall be elected to one (1) term. Thereafter, directors shall be elected to two (2) terms. No directors can serve more than four (4) consecutive terms.*~~

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX, Section 13
Resignations
-8-

(If Article IX, Section 9 is passed)

Section 13. Resignations. is renumbered to **Section 12.**

WHEREAS, correcting wording in final sentence for clarity on eligibility on reelection/appointment
Therefore be it

Resolved that Article IX, Section 13, will be amended as follows:

Section 13. Resignations. A Director of the Association may resign at any time by giving written notice to the Board of Directors, such resignation to take effect at the time of receipt of such notice or at any later date or time specified therein. Unless otherwise specified therein, acceptance of a resignation shall not be necessary to make it effective. Once a Director/Office resigns their eligibility to become a Director and/or Office, he/she will not be *eligible for appointment or election* until after their original term would have ended.

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX, Section 14
Vacancies
-9-

(If Article IX, Section 9 is passed)

Section 14. Vacancies is renumbered to **Section 13.**

WHEREAS, the board should be allowed to appoint any member that is in good standing to fill the vacancy of a director, Therefore be it

Resolved that Article IX, Section 14, will be amended as follows:

Section 14. Vacancies ~~If the vacancy occurs for a Director who has served more than half a term in office, the vacancy will be filled by appointment of the Board. If half or less of the term has been served, the Board will first contact the nominee from the last election with the next highest votes and continue until all previous non-elected nominees has been exhausted prior to the Board making an appointment. If there are no nominees the appointment by the Board of Directors will serve until the next annual election.~~

If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the Directors then in office, although less than a quorum, by a majority vote, shall choose a successor who shall hold office until the next annual election meeting.

Adopted _____ Failed _____ Referred _____ Amendment _____

(If Article IX, Section 9 is passed)

Section 15. is renumbered to **Section 14.**

(If Article IX, Section 9 is passed)

Section 16. Succession. is renumbered to **Section 15.**

(If Article IX, Section 9 is passed)

Section 17. is renumbered to **Section 16.**

(If Article IX, Section 9 is passed)

Section 18. is renumbered to **Section 17.**

(If Article IX, Section 9 is passed)

Section 19. is renumbered to **Section 18.**

ARTICLE IX, Section 20

Vacancies

-10-

(If Article IX, Section 9 is passed)

Section 20. Removal of Directors. is renumbered to **Section 19.**

WHEREAS, not only Directors but also members of SSPOA should be able to motion and vote for the removal of a Director and,

WHEREAS, just cause requires further clarification and inclusion of the Code of Ethics, and

WHEREAS, the Director should be remove immediately, Therefore be it

Resolved that Article IX, Section 20, will be amended as follows:

Section 20. Removal of Directors A Director may be removed by ~~three fourths (3/4ths)~~ a majority vote of the Board of Directors at any meeting or the majority vote of the members present at a board meeting whereas the motion for removal was made, for “just cause”. “Just cause” shall include self-dealing, conflict of interest and negligence in performing the responsibilities of a Director, which includes violation of the Code of Ethics. ~~If a~~ A motion to remove a Director must be made at a Board meeting of the members, and the motion shall ~~not~~ be acted upon ~~until the at that next~~ Board meeting. Notice must be given to a director of the board prior to the board meeting requesting an addition be made to the agenda for discussion of the motion under new business. ~~Notice of the motion shall be mailed to the Director whose removal is sought not less than twenty one (21) days prior to the meeting when the motion is to be acted upon.~~

Adopted _____ Failed _____ Referred _____ Amendment _____