



**To:** Board of Directors

**From:** Tormey Campagna, Vice Chairman Board of Directors

**Date:** January 15, 2020

**Re: Motion** –1) Proposed Revisions to Bylaws Article VIII Board of Directors Recruitment Process  
2) Proposed Policy Chapter 8, Article 8 Board of Director Elections  
3) Proposed Revision to 2020 Board Election Calendar

#### Motion

I move to adopt the following improvements to the Board election process:

- Bylaws - to approve revisions to the Bylaws Article VIII Board of Directors Recruitment Process as presented
- Policy – to approve the proposed Policy Chapter 8, Article 8 Board of Director Elections as presented
- Calendar – to revise the 2020 Hot Springs Village Board Election Calendar as presented

#### Background

In September 2019, the Governance Committee established a Voting Procedures Review Subcommittee. The committee's purpose is to provide recommendations surrounding the procedures, policies, and Bylaws necessary to ensure that all elections for positions on the Board of Directors and any other required membership votes are legally conducted in an accurate and transparent manner.

At the December 18, 2019 regular meeting, the Board discussed the committee's recommendations, which include revisions to Bylaws Article VIII Board of Directors Recruitment Process and a proposed new policy, Chapter, 8 Article 8, Board of Director Elections.

The committee made an effort to reduce the detail in Article VIII of the Bylaws and eliminated some of the language and moved other language to a new Policy (Chapter Eight – Board of Directors Policies, Article 8 Board of Directors Elections). The procedures to support these changes, policies, and election will be developed by POA staff.

The major changes are as follows:

- All returned ballots will be directly sent to a third party who will provide them to the Election Chair on the day of counting. No envelopes will be opened prior to delivery to the Election Chair.

- All ballots must be mailed by the members through the US Post Office and no ballot will be accepted from any other means.
- There will be no replacement ballot if members' ballots are lost, destroyed or become unusable.
- The order of appearance of the candidates' names on the ballot shall be random order with each candidate's name appearing first on the ballot an equal number of times, as mathematically possible. This will eliminate any candidate from have an advantage or disadvantage because of their position on the ballot.

The Governance Committee recommends the Board's approval of the attached redlined version of Bylaws Article VIII and proposed policy Chapter 8, Article 8.

In addition, upon Board approval of the above noted documents, the Governance Committee recommends the Board approve revisions to the 2020 Board Election Calendar to reflect Bylaw Article VIII dated 01-15-20. A redlined version of the 2020 Board Election Calendar is attached.

HOT SPRINGS VILLAGE PROPERTY OWNERS' ASSOCIATION  
BYLAWS

ARTICLE VIII

A. Election Objectives Board of Directors: Recruitment Process

~~To increase the effectiveness of the POA Board and to involve the members in the process, a "needs-based" approach to board member recruitment will be followed.~~

Section 1. To increase the effectiveness of the POA Board by utilizing a needs-based approach to elections.

Section 2. Adequately communicate community needs in order to attract candidates who can be most effective in responding to community challenges and opportunities

B. Board of Directors Elections s: Election Process

The election of the Board of Directors shall be as follows:

Section 1. Election of Board of Directors shall be by ballot ~~as hereinafter provided~~. At such election, each lot or living unit, in good standing, may cast one vote per position to be filled.

Section 2. The election to the Board of Directors shall be conducted in accordance with established policies as found in Chapter 8, Article 8, and established procedures. The Board of Directors shall appoint a chair to the ad hoc Election Day Committee.

Section 3. Any member of the Property Owners Association in good standing, not an employee of the Association and in compliance with Article VII, Section 2 and 3, may be certified for candidacy for the Board of Directors election ballot.

~~Application for placement on the election ballot shall be made in the following manner:~~

The applicant shall correctly complete, sign and submit the official application for candidacy and petition to the office of the CEO. The CEO will certify that the applicant is a member in good standing and has properly filed an application and will so notify the Board of Directors.

Section 4. Voting for the Board of Directors shall be a ballot (written or electronic) which shall (1) designate the number of vacancies to be filled; (2) set forth the names of candidates for such vacancies.

The order of appearance of the candidates' names on the ballot shall be in random order with each candidate's name appearing first on the ballot as close to an equal number of times as is mathematically possible. ~~determined by a draw by each candidate or his/her designee no later than~~

~~two business days after the filing deadline and shall be conducted by the POA Board Secretary or his/her designee at the POA Administration Building.~~

~~One ballot per lot or living unit shall be provided by the Secretary of the Association to all members of the Association in good standing, at least fourteen (14) days in advance of the date designated by the Board of Directors as the date for the election.~~

The term of office of a Director shall be for three (3) years. ~~or until a successor shall have been elected and certified by the Board of Directors;~~ ~~†~~The term shall commence immediately following the regular April Board meeting; and the term shall expire upon the adjournment of the regular April Board meeting three (3) years after election unless a successor has not been elected and certified by the Board of Directors. In such event the Director shall continue to serve until a successor is elected and certified.

If a vacancy occurs on the Board of Directors for any reason, the Board ~~may~~ appoint a successor Director to serve an interim term being the time until the next election and certification date.

~~Section 5. Each ballot returned shall be counted by the POA staff and stored in a safe and secure place. An ad hoc Election Day Committee, composed of members in good standing, recruited and selected by a blind draw, shall be appointed by the Board of Directors at its regular meeting. The ad hoc Election Day Committee shall oversee the opening, counting and tally of ballots on the date of the election. The Board of Directors shall designate a date as the date of the election. The candidates receiving the greater number of votes shall be elected to fill the number of positions vacant. The results of the election will be submitted to the CEO who will notify the current Board of Directors, and all Board of Directors candidates and issue a press release on the results on the designated election date. The Board of Directors shall certify those so elected at its April regular meeting.~~

~~Section 56. Regardless of the above provisions,~~ ~~†~~If the time set by the Association for the filing of applications expires and the number of vacancies on the Board of Directors to be filled at any election and the number of certified candidates for those positions are the same or less, the Association shall not be required to follow the election procedure outlined in Sections ~~4 and 5~~ 4 above. ~~Rather, for reasons of economy, the~~ The Board of Directors shall declare the candidates elected ~~as officially as if elected by the ballot procedure~~, and they shall take and hold office accordingly.

The conclusion of an election should result in all seven positions on the Board of Directors being filled. If the number of certified candidates is less than the number of positions being vacated, (an) incumbent Board member(s) shall continue in office until ~~(a)~~ successor(s) shall have been elected and certified by the Board of Directors. The incumbent(s) who ~~will~~ remain in office will be determined by drawing lots by the affected Directors. Any incumbent Director unwilling to continue in office may be excluded from drawing lots. If enough willing incumbent Directors are not available to fill all seven positions, the Board of Directors may appoint an interim Director to fill any vacant position in accordance with Section 4 above.

~~Election results will be made public per policy Chapter 8, Article 8. The Board of Directors shall inform the members of the Association the names of the elected persons by any manner of publication it may choose, provided such publication is sent to all members entitled to receive ballots under provisions of Section 4. hereinabove.~~

Section 7. Any member, in good standing, shall have the right to request a recount of the ballots returned. That request must be made in writing within three (3) working days after the election date. The recount will be done by an outside firm selected by the CEO, at the expense of the individual requesting the recount. An upfront fee must be paid by the requesting member to cover all costs to perform the recount at a charge to be determined by the chosen firm. If the recount changes the outcome of the election, the member will be reimbursed all fees paid. ~~All ballots will be stored by the POA in a safe and secure place for a period of one year.~~

## Chapter Eight – Board of Directors Policies

### ARTICLE 8 Board of Directors Elections

The Board of Directors shall designate a date as the date of the election. The candidates receiving the greater number of votes shall be elected to fill the number of positions vacant.

The order of appearance of the candidates' names on the ballot shall be in random order with each candidate's name appearing first on the ballot as close to an equal number of times as is mathematically possible.

One ballot per lot or living unit shall be mailed to the current address on record for all members of the Association in good standing, at least eighteen (18) days in advance of the date so designated by the Board of Directors as the date for the election. An accounting of number of ballots printed and mailed will be provided by the printing vendor to the ad hoc Election Day Committee Chair.

Ballots would be returned, and stored until the pre-designated election date, at a pre-selected secure election service, accounting firm, bank and/or armored service. Ballots would be delivered by the third-party service to the ad hoc Election Committee Chair at the official counting location on said pre-designated election date as set by the Board of Directors. All ballots will be returned via USPS postal mail only to the pre-selected location. No provision will be made for replacement ballots.

An ad hoc Election Day Committee composed of members in good standing, recruited and selected by a blind draw, shall be appointed by the Board of Directors at its regular meeting. The ad hoc Election Day Committee, and staff volunteers, led by the ad hoc Election Day Committee Chair shall oversee the opening, counting and tally of ballots on the date so designated for the election.

Observation by non-candidate members will be from outside the tabulation area only. Any disturbance to the election process and/or committee members will not be allowed.

The results of the election will be calculated by the ad-hoc Election Day Committee Chair with the assistance of the CFO, and will be submitted by the Election Day Committee Chair to the CEO who will notify the current Board of Directors, and all Board of Director candidates and issue a press release of the results on the designated election date

All tabulations, summaries, ballots and summary of results shall be stored in sealed boxes within the POA's official record storage area for a period of not less than one-year from the election day, after which time the documents will be securely destroyed.

The Board of Directors shall certify those so elected during the regular April meeting.

**2020 CALENDAR  
FOR BOARD OF DIRECTORS ELECTION**

<b><u>Timetable</u></b>	<b><u>Action</u></b>	<b><u>Responsibility</u></b>
Nov. 20, 2019 Reg. Bd. Mtg.	Approval of Board Application and Election Calendar	Board of Directors
Monday, Dec. 2, 2019	Corporate Secretary's office to make applications available to interested members as well as on the POA's website.	Corporate Secretary
(Weekly)	Press releases describing the procedure for submitting an application to be provided to local media announcing expiration of two (2) POA Directors' terms and one (1) vacancy for a total of three and that candidates are being sought. Per Bylaws Art. VII, Section 3 Term of Office, One elected board member will serve a 2-year term and two will serve 3-year terms.	POA Communications
Friday, Jan. 10, 2020	Deadline for submitting completed applications, with resumes and photographs to Corporate Secretary's office by 4:00 p.m.	Corporate Secretary
Friday, Jan. 17, 2020	Deadline for BOD applicant(s) to file additional information or material, if requested to do so, by 4:00 p.m. Certification to follow.	Corporate Secretary
Friday, Jan. 17, 2020	Deadline to submit candidate support advertising in Advocate with payment by 4:00 p.m.	POA Communications
<del>Wednesday, Jan. 22, 2020</del>	<del>Draw for Ballot position</del>	<del>Corporate Secretary Candidates</del>
Wednesday, Jan. 22, 2020	Board and public to be notified of certified candidates.	Corporate Secretary POA Communications
February 2020	Submit article to the POA, local media and ADVOCATE on the BOD candidates, based on the applications and unedited resumes submitted.	POA Communications
	Solicit members of Election Day Committee	POA Communications
Friday, Feb. 7, 2020	Determine members in good standing	Member Services/ Director of Real Estate & Land Services
	POA staff coordinates with printing vendor to prepare ballots for mailing along with letter, resumes and return envelopes to all Association members determined to be in good standing as of Feb. 7, 2020.	Director of Real Estate & Land Services

**2020 CALENDAR**  
**FOR BOARD OF DIRECTORS ELECTION**

Wed., Feb. 19, 2020	Draw for and appoint members of Election Day Committee and Chair.	Board of Directors
Friday, Feb 28, 2020	Ballots, letter, resumes and return envelopes mailed to all Association members in good standing. Ballots will be returned to <del>the POA staff</del> <u>a third party*</u> to be stored and counted.	Member Services
Wednesday, Mar. 18, 2020	Deadline for ballots to be returned (4:00 p.m.)	
Thursday, Mar. 19, 2020	Election Date  <u>*Third party will provide ballots to the Election Committee Chair.</u> The Election Day Committee and POA staff will process the ballots. Committee chair will submit the results to the Corporate Secretary, who will notify the current Board of Directors, all Board of Director candidates and issue a press release on the results.	Corporate Secretary Election Committee Chair
Tuesday, Mar. 24, 2020	Deadline for any member in good standing to request a recount by 4:00 p.m. The recount will be performed by an outside firm. A check in an amount determined by the outside firm conducting the recount must accompany the written request. If the recount changes the outcome of the election, the member will be reimbursed all fees paid.	Corporate Secretary
TBD	New Board member orientation to review POA budget, governing documents and calendar	Board of Directors
Wednesday, Apr. 15, 2020	Newly elected Board members will be seated following the adjournment of the April 15, 2020 regular meeting at which time at a Special Meeting the Board will certify the election of the new Board members.	Board of Directors
TBD	Board Retreat	Board of Directors