

ANALYSIS OF RA PROPOSED Section 29

Existing RA:

There currently is no provision in the RA which addresses alternative forms of voting.

Why add Section 29?

Under the current RA in person voting is the only type of voting allowed at the lot owners meeting. The Covid 19 crisis demonstrated the need to create an alternative form of voting in that many residents felt it was unsafe to attend an in-person lot owners meeting. In addition, absent Covid 19, past experience has shown that many residents are unable to participate in lot owners meetings because of scheduling conflicts and, accordingly, feel deprived of the opportunity to express their views on important subdivision issues.

To address Covid 19 concerns voting by proxy and by absentee ballot have been tried recently. Of the two, the committee felt authorizing absentee balloting was the more effective way to safely increase resident participation at the lot owners meeting. Therefore, this new provision authorizes voting by absentee ballot as well as in-person voting.

In addition, recent events surrounding the unauthorized attempt to convert the trusteeship to a non-profit highlighted a further weakness in our RA. There is no provision in the RA which allows for the residents to call for a special meeting to address an issue of community-wide concern if the Trustees fail to do so. Such a provision has been added to this Section.

Right now there is no quorum requirement for the conduct of a lot owners meeting in the RA. Theoretically a few people could show up at a meeting and a majority of them could make a decision effecting the whole subdivision. The committee felt there should be a reasonable level of participation as a prerequisite to a valid meeting. Accordingly, a quorum requirement has been added.

Finally, a uniform provision dealing with notice of, meetings was added.

Proposed new Section 29 will read as follows:

Proposed Amendment to RA Section 29

29. Meetings and Voting:

(a) Annual Meetings. The annual meeting of the lot owners shall be held during the month of February or such later date as practical. At the meeting, the lot owners shall elect Trustees as provided in Paragraph 22, and may transact such other business as may properly come before them.

(b) Special Meetings. Special meetings of the lot owners may be called by resolutions of the majority of the Trustees or upon a petition to the Trustees signed by at least 25 lot owners. Only business stated in the notice of such meeting may be transacted at a special meeting.

(c) Place of Meetings. Meetings of the lot owners shall be held within five (5) miles of the Subdivision, or such other convenient location as may be designated by the Trustees.

(d) Notice of Meetings. The Trustees shall provide each lot owner a notice of such annual or special meeting of the lot owners stating the purpose, and the date, time, and place of the meeting. Notice of annual and special meetings shall be sent by first class U.S. mail to the last known mailing address of each lot owner at least ten (10) days prior to any such meeting.

(e) Quorum. The presence at the beginning of any duly called meeting in person or by absentee ballot of 30% of all of the lot owners shall constitute a quorum at any meeting of the lot owners.

If any meeting of the lot owners cannot be held because a quorum is not present, the Trustees shall reschedule the meeting and notify the lot owners of the rescheduled meeting. At such meeting the quorum shall be reduced to 20% of all of the lot owners, and if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. Any absentee ballots prepared and submitted at the original meeting shall remain valid.

(d) Voting by Ballot. For actions taken at a meeting each lot owner present in person shall be provided a ballot to cast their vote on all actions to be decided upon at the meeting of lot owners.

(e) Voting by Absentee Ballot. The Trustees may provide each lot owner an Absentee Ballot as prepared by the Trustee to cast his or her vote on actions to be decided upon at the meeting of the lot owners. The Absentee Ballot shall contain the proposed action/vote, the deadline and method for submission. The deadline for submission shall not be less than ten (10) days from the date provided.

A lot owner that timely submits an Absentee Ballot shall be deemed present for the purpose of determination of a quorum. Only the Absentee Ballot provided by the Trustees is permitted.

What is accomplished with this new Section 29:

By adding this new section deficiencies in the RA which have come to light as a result of recent events regarding voting and the conduct of lot owners' meetings are corrected.