

Organization of the Annual Meeting and Board elections

Author: Rob Hanssen

Version: August 10, 2021

Purpose

Organizing the elections of the Board of Directors and the Annual Meeting are essential parts of the function of the Board of Directors. Board members have a two-year term and their terms are staggered.¹ Elections take place every year at the Annual Meeting.¹ This guideline offers a time line to organize the elections and the Annual Meeting in an efficient manner.

Contents

Purpose	1
Background	3
Guidelines for the timing of specific actions and events:	3
Early-October: Assemble the Nominations Committee	3
Early to Mid-December: Send nomination letter to all HOA members	3
Mid-December: Secure the location to be used for the Annual Meeting	4
Mid-January: Send ballot and accompanying letter to all HOA members	4
Mid-January: Nomination town halls	4
Mid-January: Settle on a date for the Organizational Meeting	4
Mid-January: Organize the vote counters, if third-party	4
Mid-January: Arrange the presence of a recording secretary	4
Two weeks before the Annual Meeting	4
One week before the Annual Meeting and Elections	5
Early to mid-February: Annual Meeting and Special Meeting for the election of the Board of Directors	5
Mid-February: Organizational Meeting	6
Regular Meetings	6
Appendix 1	7
Example nomination form	8

Appendix 2. Example of announcement letter to the Annual Meeting	9
Appendix 3. Example ballot	10
References	11

Background

During the first elections after the developer handover in 2018, seven Directors were elected in accordance with the Bylaws,² four of those with a term of two years and three with a term of one year. Because of the staggering of terms, during the odd years (*e.g.* 2019, 2021, etc.), three positions are available and during the even years (*e.g.* 2020, 2022, etc.), four positions are available. Due to the Bylaws, one position on the Board of Directors must be filled by a representative of the Town Home owners.³

Positions that are vacant due to resignation of a Director need to be filled by a vote of the Board of Directors if the term of the vacant position is not due during the elections, however the Board can choose to elicit input in filling the position using the ballot. This will not change the length of the term of the position.⁴

Guidelines for the timing of specific actions and events:

Early-October: Assemble the Nominations Committee

The Nomination Committee is authorized in the Bylaws⁵ and created by the Board of Directors via a resolution.⁶ The task of the Nomination Committee is to organize the election process, the Town Hall meetings, the Annual Meeting and the Organizational Meeting. During this process, several letters need to be sent out to the homeowners with approval of the Board of Directors; a location for the Annual Meeting needs to be found, approved by the Board and booked; a location for the Town Halls (typically the Glen Lake Club House) needs to be booked. To facilitate communication to the homeowners, signs can be printed, and social media can be used.

Early to Mid-December: Send nomination letter to all HOA members

This letter serves as the request for nominations to run for the Board. Typically, the term for the return of nominations is 2 to 4 weeks. The Christmas and New Year's vacation will cause delays in the return and all care should be taken to have the nomination letters in the member's home before December 4th. This letter can also be used to request questions that can be used at the Town Hall meetings. The last function of this letter can be to announce the date of the Annual Meeting, however the Annual Meeting can officially only be announced up to 60 days before the date of the Annual Meeting.⁷ The best opportunity to send this letter is to add it to the budget package sent out mid-November to limit the expense.

The qualifications for the nominees are:^{8,9}

1. An owner of a home within Glen Lake in good standing
2. Residing in the neighborhood
3. Not be a spouse of a board member

Good standing is defined as having paid all annual assessments and fines.^{9,10} *Owner of a home* is defined as being listed on the deed or be the spouse of the person listed on the deed.^{8,11,12}

For convenience and speed, the nomination form and town hall questions form can also be made available on the Association website. During the 2019 elections, all nominations and most questions came in via the website.

See Appendix 1 for an example letter and nomination form.

Mid-December: Secure the location to be used for the Annual Meeting

In past years, the lunchroom of Boiling Springs Elementary School was used to host the Annual Meeting and Elections. The cost is approximately \$150. Alternatively, in 2020 and 2021 the Glen Lake Club House was used at no cost. Other locations can also be used. The location should be able to host 80 people and should have a PA system.

Mid-January: Send ballot and accompanying letter to all HOA members

This letter serves as the final announcement for the Annual Meeting and will describe the voting process. The letter is typically sent, so that receipt of the ballot coincides with the nomination town halls, however the latest this announcement can be sent is 10 days before the Annual Meeting⁷. The letter and ballot should reference the quorum needed to validate the election (25% of the Total Association Vote; 120 ballots).^{13,14}

See Appendix 2 for an example letter and Appendix 3 for an example ballot form.

Mid-January: Nomination town halls

Typically, two town hall meetings are held where nominees for the Board can answer questions from HOA members. These questions can come from the audience or from pre-selected questions determined by the Nomination Committee or otherwise. Depending on the size of the group of nominees, there can be anywhere from 5 to 10 questions with answer times from 2 to 5 minutes. To increase participation of the homeowners, at least one meeting should be scheduled on a weekend day.

Mid-January: Settle on a date for the Organizational Meeting

All Directors and nominees must agree on the date for the Organizational meeting which will be held within 10 days of the Annual Meeting and Board of Director elections. It is prudent to have a date available for all potential Directors so that the Organizational Meeting can take place according to the Bylaws.¹⁵ The Organizational Meeting can be announced on the website calendar.

Mid-January: Organize the vote counters, if third-party

The counting of the votes should be done by neutral parties, i.e. homeowners with no ties to the nominees or third-party civic organizations, such as the Beta Club, Scouts organizations, fraternities or sororities, etc. If the Nomination Committee decides to use third parties, these should be notified to participate.

Mid-January: Arrange the presence of a recording secretary

To capture all information communicated from and to the homeowners during the Annual Meeting, it is advised to use a third-party professional recording secretary. The management company has a list of people who can function as such. This person will need to be booked for the event.

Two weeks before the Annual Meeting

Determine if all the candidates are still eligible to enter the elections. All candidates must have a zero-balance with the Association and adhere to all other requirements.^{8,9} The board can expel board members by a simple majority vote if they are delinquent for 30 days or more.¹⁰ Because the due date for the annual assessment is January 1st, member who did not pay by February 1st are delinquent.

One week before the Annual Meeting and Elections

Determine if the quorum for the Annual Meeting has been met (25% of the Total Association Vote,¹³ approximately 120 votes or proxies). If the quorum has not been reached, start a (social media or other) campaign to ensure that the quorum is made before or at the Annual Meeting. This is not an uncommon occurrence – in the elections of 2018 through 2021, the quorum was reached during the week before the meeting after significant posting on social media and using signs at the entrances.

It is advisable to add a statement on the ballot letter and the ballot that states that the ballot is a proxy for presence at the meeting to make sure that the quorum can be reached with ballots alone.

Early to mid-February: Annual Meeting and Special Meeting for the election of the Board of Directors

The Annual Meeting is scheduled to take place within 60 days from the end of the previous fiscal year.¹⁶ The latest that the meeting can take place is February 29th during leap years and March 1st during regular years. To increase participation from the homeowners, the Annual Meeting is best scheduled on a weekend day, however it is best to avoid Superbowl weekend. From the end of the previous fiscal year until the day of the election, the board members will hold office until their successors are elected.¹

The agenda for the Annual Meeting must at least include the following items. Other items are optional.

1. Opening by the President of the Board of Directors
2. Confirmation of the quorum (attendees, ballots, proxies)
3. Call for nominations from the floor; Casting of votes; Motion to close the votes and commence with counting of the votes.
4. Treasury report by the Treasurer
5. Open forum
6. Report of the results of the elections

If the quorum of the meeting is not met, the meeting cannot proceed and must be adjourned to a meeting between 5 and 30 days later.¹⁷ Because Association funds will need to be spent on setting up a new meeting and announcing it to the homeowners, it is of the utmost importance that the quorum is met before or at the original meeting.

Nominations from the floor during the meeting is prescribed in the Bylaws⁵ and must be called for. If there is a nomination from the floor, the nominee must be given the opportunity to present themselves to the audience. During the 2018 and 2019 elections, no one was nominated in this fashion, and in 2020 one person was nominated from the floor. The consequence of calling nominations from the floor is that homeowners need to be able to change their ballots to accommodate voting for the new nominees. New ballots will need to be available during the meeting with blank spots for floor nominees.

The Annual Treasury report must be reviewed at the Annual Meeting in a manner the Board of Directors can decide.¹⁸

If there is a quorum, the nominees with the highest vote counts will be elected to the Board of Directors. The results of the vote count must be in the minutes of the meeting¹⁴ together with the quorum requirement.

According to the Bylaws, one position on the Board of Directors must be filled by a representative of the Town Homes who must also be on the Town Home Committee.³ If no representative of the Town Homes has enough votes to be elected to the Board, they will still be appointed to the Board and replace the person on the Board who had the lowest vote count.

The first meeting of the newly elected Board members must take place within 10 days of the election and is called the Organizational Meeting.¹⁵

Mid-February: Organizational Meeting

The Board of Directors meets in a public meeting to elect the officers (President, Vice President, Treasurer, Secretary) and handle the transition on information to the newly elected Board members. The method to elect Officers can be decided by the Directors. The length of the term remaining to the Director is of no consequence to their ability to be elected as Officers.

It is best to use this meeting to set the meeting schedule for the rest of the year and communicate this schedule via regular mail. This meeting should also include an executive session to transfer privacy-sensitive information to the newly elected Board members.

Regular Meetings

There must be at least one meeting per quarter,¹⁹ *i.e.* four meetings per year. If there are no deviations from the schedule set during the Organizational Meeting and communicated via regular mail, no further notice is required.¹⁹ For convenience, the meetings can be announced on the Association website. During regular meetings, a majority of the Board members needs to be present to conduct any business.²⁰

Appendix 1

Dear Fellow Glen Lake Homeowner:

The Nominations Committee is requesting nominations for three Board of Director positions for the Glenlake Upstate Homeowners Association.

If you or someone you know is interested and meets the Glenlake Bylaw criteria, please complete the attached nomination form.

Bylaw criteria:

1. Elected directors must reside in the Glen Lake Subdivision
2. Must be a member in good standing (or be a spouse of a member). A member is the legal owner of a lot in the Glen Lake Subdivision
3. Cannot have a spouse concurrently on the Board.

All nominations must be delivered or mailed to Hinson Management at PO Box 160207, Boiling Springs no later than December 18, 2020. Nominations can also be submitted on our website. After all nomination forms are received and candidates are confirmed by Nominations Committee, the candidates' biographies will be posted on the Glen Lake website.

Two Town Hall Meetings have been scheduled to allow all Glen Lake members to hear the candidates' answers to questions compiled by the Nominations Committee based on member suggestions. Questions may be submitted on our website or via e-mail to nominations@scglenlake.com. Time permitting, questions from the floor may be possible.

Glen Lake members should make every effort to attend one of these meetings.

If you are a candidate, please plan to attend both Town Hall Meetings.

Nominee Town Hall Meetings will be held at the Glen Lake Clubhouse:

- Saturday, January 16, 2021, 10:30am to 1:00pm
- Thursday January 28, 2021, 6:30pm to 9:00pm

Cordially, The Nominations Committee

Example nomination form

2019 Glenlake Upstate Homeowners Association Board Nomination

Name of person nominating:

Address of person nominating:

Information on Nominee Name:

Address:

E-mail:

Pertinent work history: _____

Other skills, knowledge, & experience: _____

Reason(s) interested in serving: _____

Most important factors facing the HOA: _____

If you are nominating someone else, has he/she agreed to serve? ____ Yes; ____ No

The nominee acknowledges that serving on the Board is a significant time commitment (over 10 hours of meetings per month, and additionally 20 hours of activities per month). During budgeting and election time, this time commitment will be higher. The nominee acknowledges that the term for this Board position is two (2) years. The nominee agrees to sign the Board Member Code of Ethics when elected. ____ Yes; ____ No

Would you be willing and able to serve as Officer on the board? ____ President; ____ Treasurer; ____ Secretary; ____ Vice-president

Appendix 2. Example of announcement letter to the Annual Meeting

Dear Glen Lake homeowner:

The Annual Meeting of the Glenlake Homeowners Association, Inc is scheduled for Saturday, February 6, 2021 from 10:30 am to 1:00 pm at the Glen Lake Club House, 202 Stewarts Landing. Please plan to arrive 10 to 15 minutes before the start of the meeting to register and receive your copy of the 2020 Financial Summary.

A ballot for election of the 2021 Board of Directors is enclosed. If you have not met the candidates, please review the information posted on the website for background details.

For the election to be valid at least 25% of the homes in Glen Lake (i.e. 120) must return a ballot. If you do not want to vote, please return your blank ballot so it can be counted toward the quorum. If a quorum is not reached, the Annual Meeting will be postponed until a quorum can be reached.

All votes must be received at the offices of Hinson Management, Inc by 5:00 pm on Monday, February 1, 2021. If a quorum has not been reached, the Annual Meeting will have to be postponed at significant cost to the community.

HOW TO RETURN YOUR BALLOT

1. After voting, fold the ballot and place in envelope marked "Ballot." Do NOT write anything on this envelope. SEAL.
2. Place the ballot envelope inside the medium envelope with your return name and address in upper left corner. (correct any information, as needed). SIGN and SEAL this envelope.
3. Place the 2-envelope ballot in the outer envelope addressed to Hinson Management, ATTN Glen Lake Board of Directors election. SEAL.

Mail or drop off at Hinson during business hours.

It is Hinson's responsibility to use the unopened signed envelopes to verify your right to vote, record that your household has voted and add your vote to the quorum tally. These envelopes are placed in the ballot box and, providing a quorum has been reached, will be publicly opened and counted at the Annual Meeting.

Sincerely,

The Board of Directors

Appendix 3. Example ballot



2021 Board Of Directors Election



- Please read the instructions at the bottom of this page
- Cast up to three votes for the 2021 Board of Directors elections
- Your ballot must be delivered or mailed to Hinson Management by February 1, 2021; or handed in at the Annual Meeting on February 6.
- Information on the nominees can be found on our website: www.scglenlake.com or by scanning the QR code

☐ Stephen Barnwell

☐ Edward McDuffie

☐ Kelly Campfield

☐ Zach Masker

☐ Willie Hines

☐ Eric Rice

☐ Mendi Just

☐ _____

☐ _____

☐ _____

INSTRUCTIONS

- Each lot may vote on one (1) ballot form for no more than three (3) nominees.
- Blank votes, and votes for less than three nominees, are allowed and will count toward the required 120 vote quorum if they are submitted in accordance with the "How to Return Your Ballot" instructions on the back of this ballot.
- Vote by clearly filling in the circle by each nominee's name in pen or pencil.
- Only one (1) vote per nominee is allowed.
- Do not leave any identifying information on your ballot form.

Deviations from these rules can invalidate your vote.

References

1. Article 3.5(b). (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
2. Article 3.3. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
3. Article 3.5(c). (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
4. Article 3.7. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
5. Article 3.4. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
6. Resolution 2018-012. (2018). In *Resolutions of the Glenlake Upstate Homeowners Association*.
7. Article 2.4. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
8. Article 3.1. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
9. Article 5.11(c). (2006). In *Protective Covenants, Conditions and Restrictions of the Glenlake Upstate Homeowners Association*.
10. Article 3.6. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
11. Article 4.2. (2006). In *Protective Covenants, Conditions and Restrictions of the Glenlake Upstate Homeowners Association*.
12. Article 1, Definition of Owner: the record owner, whether one or more Persons, of the fee simple title to any Lot located within the Community; excluding any Person holding such interest merely as security for the performance or satisfaction of any obligation. (2006). In *Protective Covenants, Conditions and Restrictions of the Glenlake Upstate Homeowners Association*.
13. Article 2.9. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
14. Article 2.11. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
15. Article 3.8. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
16. Article 2.2. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
17. Article 2.6. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
18. Article 15.12. (2006). In *Protective Covenants, Conditions and Restrictions of the Glenlake Upstate Homeowners Association*.
19. Article 3.9. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.
20. Article 3.12. (2006). In *Bylaws of the Glenlake Upstate Homeowners Association*.