

BAY LAKE ESTATES HOMEOWNERS ASSOCIATION

PROPOSED BYLAWS AMENDMENTS 2023

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The board of directors is recommending a number of changes to our bylaws. Each is presented in this document with a summary of the change and the reason it is being recommended.

Example:

Topic: **Nominating Committee**

Amendment #2023-01

Change the name from “Nominating Committee” to “Election Committee,” and add to its responsibilities “once the slate of candidates is established, the committee oversees the election process as required by FS 723.078.”

Reason for Change

723 now requires that “an impartial committee shall be responsible for overseeing the election process and complying with all ballot requirements.”

The Summary and Reason for Change format as above is intended to make the proposed amendment easier to read and follow – and much briefer. The actual amendment document uses a formal format; words to be deleted are ~~stricken~~ and words to be added are underlined. Here’s the example from above shown in the formal format.

(Amendment #2023-01)

4.07 Nominating Election Committee. ~~A nominating~~ An election committee shall be appointed by the president of the Association at the regular December meeting. The committee shall consist of five (5) members in good standing, two (2) of whom will be selected by the president before the meeting, and three (3) from the floor at the ~~December~~ meeting. The purpose of the committee is to obtain a slate of members who agree to serve as directors if elected; once the slate of candidates is established, they oversee the election process as required by FS723.

- (1) No board member shall be nominated for or serve as a member of the ~~nominating~~ election committee.
- (2) A member of the ~~nominating~~ election committee who desires or accepts a nomination for elective office in the corporation shall resign from the ~~nominating~~ election committee.
- (3) One week before the January Association meeting the ~~nominating~~ election committee chair shall post the list of volunteers to run for director openings.
- (4) At the January Association meeting the president shall accept nominations from the floor for the open positions. No member shall be restricted from being nominated from the floor except that prior consent to serve shall have been obtained from the nominee. Nominations shall be closed at that point, and no further candidate will be accepted.
- (5) The ~~nominating~~ election committee chair shall post the final slate of candidates within ten (10) days of the close of the January meeting.

Note that the amendment summary omits minor changes in the actual amendment, when the changes are just for clarification. For example, “will be selected by the president **before the meeting**” is a minor point of clarification and is not included in the summary.

NOTE: This document does not include planned formatting changes and section renumbering to improve clarity and appearance.

Topic: **Associate Members' Voting Rights**

Amendment #2023-02

Give associate members who have paid their dues the right to vote on all HOA business except elections.

Reason for Change

Our past practice seems unfair and unreasonable. For example, suppose John and Mary both live in a Bay Lake home, both are on the home's title, and both pay their dues. They are both regular members in good standing and can vote on all business before the HOA.

Now, suppose Richard and Elizabeth both live in a Bay Lake home, but for whatever reason they have decided to have only Richard on their title. They both pay their dues. Under current bylaws Richard is considered a regular member in good standing and can vote on all business before the HOA. However, Elizabeth would be deemed an associate member, and could not vote on any HOA business.

Topic: **Annual Dues**

Amendment #2023-03 **NEW LANGUAGE underlined**

Annual dues are payable by January 1st of each year, and secure membership for the calendar year. There are no provisions for partial-year dues.

Reason for Change

For clarification. Occasionally individuals have asked "If it's only four months until the end of the year, do I still have to pay the full \$10 for this year?"

Topic: **Quorum**

Amendment Summary (Amendment #2023-04) **NEW LANGUAGE underlined**

Meetings of members for informational, reporting and discussion purposes may be held without the presence of a quorum, and no official minutes shall be required. No action or other business requiring the vote of members may be taken without the presence of a quorum. No minimum number of directors shall be required to be present for regular, annual, or special meetings to be held.

Reason for Change

The new language is for clarification only. These have always been quorum "rules," but some members may not have been aware of them. The language does not comprise new policy or procedures.

Topic: **Notice of Meetings**

Amendment #2023-05 NEW LANGUAGE **underlined**

Each member in good standing will be given a printed schedule of the date and time of the annual meeting and all regular membership meetings. Such schedule shall be considered proper notice, provided that the following procedures are followed when a special meeting is scheduled or a regular or annual meeting schedule is changed.

Reason for Change

The new language provides clarification that our HOA follows the notification requirements of FS723.

Topic: **Meeting Participation**

Amendment #2023-06 NEW LANGUAGE

This amendment is to add the entire new section to the bylaws.

All members in good standing are encouraged to attend and participate in association meetings, including commenting on business before the association and presenting motions pursuant to Robert's Rules of Order.

Bay Lake Estates residents who are not members in good standing are also encouraged to attend meetings and comment on business before the association. However, they may not present motions because they are excluded from voting on any association matters.

Reason for Change

Provides clarity. In part, residents who do not pay dues are precluded from deciding how the association's money is spent.

Topic: **Meeting Recordings**

Amendment #2023-07

Makes the recording of monthly association meetings optional rather than required.

Reason for Change

Provides clarity. This bylaw already specifies that if no one can be enlisted to record the meeting then no recording will be made.

Topic: **Election of Directors**

Amendment #2023-08 NEW LANGUAGE **underlined**

The amendment incorporates extensive formatting changes to make the material less complicated. It also adds some new provisions, driven by changes to FS723. Here is the entire section as proposed, with deleted words ~~stricken~~ and added words underlined.

4.06 Election of Directors.

(1) At the March membership meeting regular members in good standing shall elect individuals to director positions on the board of directors. The number to be elected each year varies as detailed in paragraph 4.05(3) of these bylaws.

(2) Voting may be by ballot or by absentee ballot. No quorum is required to conduct a valid election. However, the election results are void if fewer than 20% of eligible voters cast ballots.

(3) As provided in Section 4.07 of these bylaws, the final slate of candidates for the upcoming election is scheduled to be published by 10 days after the January association meeting. One of three situations will result.

- (a) If there are more candidates than open director positions, the winners shall be those candidates with the greatest number of votes. If two or more candidates tie and a runoff election is thereby required, only those tied candidates shall be entered in the runoff; those candidates receiving more votes than the tied candidates shall be declared winners and shall not be entered in the runoff.
- (b) If there is only one candidate for each open director position, voting shall be by acclamation. At the March association meeting the president recognizes the new directors with words like “Today is our official election day, but we will not be casting ballots for new directors. That’s because our candidates ran unopposed. Therefore, let us congratulate and thank them with our applause.”
- (c) If there are fewer candidates than there are open director positions, when the new board takes office it shall appoint a member to the directorship as provided in section 4.08 of these bylaws.

(4) After the slate of candidates is published as specified in subsection (3) above, those individuals may meet informally among themselves, with or without current directors, to begin developing a transition plan for the subsequent board of

directors. Such meetings shall not be open to members since they are considered to cover “personnel” issues – i.e. deciding who shall serve as officers of the association.

(5) New directors take office, and departing directors’ terms expire, during the annual meeting in April.

Topic: **Secretary’s Responsibilities**

Amendment #2023-09

Reduce the requirement that all meeting minutes be retained for seven years down to five years.

Reason for Change

Retention requirement were reduced by FS723.

Topic: **Treasurer’s Responsibilities**

Amendment #2023-10 **NEW LANGUAGE underlined**

Add the following text to the section on the Treasurer’s duties.

The treasurer shall maintain the official financial and accounting records of the association as defined in FS723 for a minimum of five years.

Reason for Change

Retention requirement were reduced by FS723. Were previously mentioned in our bylaws.

Topic: **Meetings of Directors**

Amendment #2023-11

Amend section 4.09 as follows.

4.09 Meetings of Directors.

A meeting of the directors shall regularly be held on the Thursday before any scheduled association meeting. Meetings of the board of directors, regular or special, will be held at the clubhouse or at any other place so designated in the Notice of Meeting. A Notice of Meeting shall be posted in a conspicuous place upon the park property at least forty-eight (48) hours in advance, except in an emergency. An annual posting of the dates, times, and locations of all regular board meetings shall constitute proper notice; any changes to the schedule will be properly noticed as specified in FS723.

Reason for Change

Board meetings currently are scheduled for the last Thursday of the month, although that is not specified in the bylaws. That scheduling causes a conflict in November, due to the Thanksgiving celebration. It also results in there sometimes being nearly two weeks between the board and association meeting, which impedes the board's planning for the association meeting.

Topic: **Inspection of Books and Records**

Amendment #2023-12 **NEW LANGUAGE** **underlined**

The following is to be added to the existing section.

At the president's sole discretion, and without setting precedent, the association may provide records requested informally instead of requiring the member to submit the request by certified mail as specified in FS723.

Reason for Change

If a member occasionally and reasonably asks for a copy of an association document, it would be better if the president could provide it without requiring a written request submitted by certified mail with return receipt requested.

Topic: **Receipts**

Amendment #2023-13

The amendment is to change bank signature requirements.

Withdrawal of funds from the bank, whether by check or cash, shall require the signature of ~~the treasurer, the president or vice president~~ at least one authorized signatory. The board of directors shall appoint three of the four officers to be authorized signatories.

Reason for Change

This amendment clarifies language of the bylaw subsection. Additionally, it gives the board the flexibility needed to deal with short-term situations when the treasurer, president, and vice president may not all be available.

Topic: **Authorized Expenditures - Board**

Amendment #2023-14 **REPLACEMENT LANGUAGE**

This amendment replaces the bylaws section on the board of directors' spending authority.

The board of directors may authorize expenditures for equipment or projects up to a limit that can be changed only by a majority vote of members in good standing. This limit includes all parts of any purchase; related elements cannot be broken out separately to surreptitiously exceed the spending limit.

Reason for Change

Currently the board has a \$500 spending limit for an individual purchase without getting approval from the members. However, there is nothing in the bylaws to prevent the board from spending more than that by breaking the purchase into smaller pieces – e.g. \$400 for a printer and \$200 for a cabinet and supplies.

Additionally, changing the \$500 limit at some point in the future requires amending the bylaws. It is much better to just allow the members to change the limit by a majority vote.

Topic: **Authorized Expenditures - President**

Amendment #2023-15 NEW LANGUAGE

This amendment creates a new section in the bylaws to create a spending authority for the president.

The president may authorize expenditures for miscellaneous expenses up to a limit that can be changed only by recommendation of the board of directors and approval by a vote of the members. This limit includes all parts of any purchase; related elements cannot be broken out separately to surreptitiously exceed the spending limit. Further, a monthly spending maximum shall similarly be established to provide a limit on expenditures in total. Expenditures in excess of the limits require approval of the board.

Reason for Change

Currently the president has a \$200 spending limit that was established by the board of directors without ratification by the members. No limit on the maximum that can be authorized in any time frame has been established.

Topic: **Audits**

Amendment #2023-16

Change how the audit committee members are selected as follows.

The books of the corporation shall be audited annually and prior to the Annual Meeting in April by three (3) members in good standing who are not members of the board of directors, and who shall be nominated by the president and approved by ~~membership~~ resolution of the board of directors on a yearly basis in February.

Reason for Change

It sometimes has been a challenge to find members willing to volunteer to audit the books. If three members cannot be recruited and *approved by the membership* by the first Tuesday in February, it is not possible to complete the audit in time for the annual meeting in April. Giving the board the authority to approve who is on the audit committee provides some amount of flexibility.

Topic: **Ad Hoc Committees**

Amendment #2023-17 NEW LANGUAGE **underlined**

This corporation may have certain committees, each of which is formed for a specific purpose, and is dissolved when its work is complete. (For example, an election committee or a rummage sale committee.)

Reason for Change

The bylaws addressing Ad Hoc committees have been in place for years, but many members do not know what Ad Hoc committees are. This short amendment is intended to provide some clarity.

Topic: **Standing Functionary Committees**

Amendment #2023-18 NEW LANGUAGE **underlined**

This corporation will have standing functionary committees, each of which will serve an ongoing need of the corporation, and therefore will generally exist all year long. (For example, a membership committee or a decorating committee.) Each of these will be chaired by an appointee of the president...

Reason for Change

The bylaws addressing Standing Functionary committees have been in place for years, but many members do not know what they are. This short amendment is intended to provide some clarity.

Topic: **Emergency Powers**

Amendment #2023-19 A NEW SECTION

On rare occasion emergencies happen – e.g. hurricanes, pandemics. This section empowers the board of directors to cancel and reschedule all meetings, business (such as elections), events and activities, even if most of the board members are incapacitated or otherwise unavailable to weigh in on decisions affecting the association. It also allows “temporary” directors to be appointed until the emergency is resolved.

Reason for Change

This amendment enables us to abide by the bylaws during emergencies. For example, we had to cancel all meetings when ELS closed the clubhouse for an extended time during the COVID “lockdown.”