

Governing Documents Committee Report December 2022

The Governing Documents Committee prepared a survey for the Association Members and shared those survey results with the Association Members. We also reviewed the survey items and made recommendations to the Board to implement in our next Bylaws update. A vote from the Board on these recommendations is the next step before we update our Bylaws.

We are awaiting this action from the Board before we proceed with further work:

- Votes on our Bylaws Recommendations based on the results of the survey that was given to the Association Members.
- We have asked for the Board to discuss and vote on these before December 2022 on a couple of occasions.
- We are still waiting to hear when they plan to discuss these Recommendations.

On November 14, 2022 we requested to review the Transfer fee Declaration document that the Board has already paid for. We are still waiting for that document.

Recommendations Submitted to the Board on November 9, 2022:

The committee recommends the following updates to our Bylaws to be sure they are CCIOA compliant, reflect the current status of the neighborhood as no longer being Declarant controlled, and incorporate the feedback received from the Member survey:

- 1) Impose a cap on the amount that can be spent from IPOA reserve funds without a vote of a majority (51%) of Members present and eligible to vote at a meeting wherein the expense is discussed. Provide an exception for emergencies up to a reasonable amount—the committee discussed an emergency cap of \$150,000.00 per year.
- 2) IPOA funds shall NOT be expended for any property NOT owned by the IPOA unless there is an affirmative vote of a majority (51%) of Members present and eligible to vote at a meeting wherein such expense is discussed.
- 3) The provision regarding Board member term limits should be revised to state that no Board member shall serve more than 4 consecutive years. Then after a break of at least 2 years they could run again.

This is what our committee recommends based on the survey results and our committee's discussion. We are open to more discussion on this topic.

- 4) The sections pertaining to Powers and Duties of the Board need to be revised in several areas. Sections dealing with levies and assessments need to be updated to be sure they are CCIOA compliant. The sections regarding delegation of duties needs to be revised to account for numerous items of concern identified in the survey. **Members expressed a strong desire for limiting the duties delegated to the Management company, particularly in the financial area. Specifically, the Management company should NOT:**

- a) **Have access to withdraw any amounts from the IPOA Reserve Funds; or**
 - b) **Make financial decisions with respect to any IPOA accounts without approval of the finance committee and Board.**
- 5) Board Meeting Minutes should be written or approved by the Board Secretary. Agendas should be written and distributed by the Board Secretary.
- 6) *All Notices and communications to the membership shall be via email, if CCIOA compliant.*
- 7) Survey results showed a desire for clarified guidelines for Board officer duties and what actions should result in removal for cause. We suggest that: *If Board officers fail to comply with CCIOA statutes by conduct or by omission they may be removed from office with a majority vote from the Board. [Example: Treasurer refuses to oversee POA finances, sign checks as required by CCIOA, failure to keep Board apprised in real time of financial status.]*
- 8) At Membership meetings where voting is required, there should be a committee supervised by the Board Secretary that counts votes. The Management company should not perform this function. To the extent possible and allowed by CCIOA, the IPOA should incorporate electronic voting to save time and money.

CCIOA 38-33.3-310. (C) "Ballots shall be counted by a neutral third party or by a committee of volunteers. Such volunteers shall be unit owners who are selected or appointed at an open meeting, in a fair manner....." IMM is not a neutral third party as they are employees hired by and working for the IPOA.

- 9) If a Board position becomes vacant, the remaining Board members shall appoint a temporary replacement to serve until the next Membership Meeting. At the next Membership meeting, the Members shall elect a Board replacement for the remaining term of that position.
- 10) Financial reporting needs to be expanded and updated. The survey indicated a desire for quarterly financial statements (balance sheet and income statement) to be available via a password protected website.

Regarding survey questions 11-13, the committee does not think these items should not be included in the Bylaws. We recommend the Board adopt a new bidding policy.

Based on the survey, we recommend that the Board consider revising their policies to address the issues surrounding the bidding process for all IPOA contracts including management and the possibility for the use of sealed bids.

These are not the only items in the Bylaws that need to be changed. These are based on the survey results. Once we know how the Board votes on these items, we can incorporate them (or not) in the next version of our Bylaws.