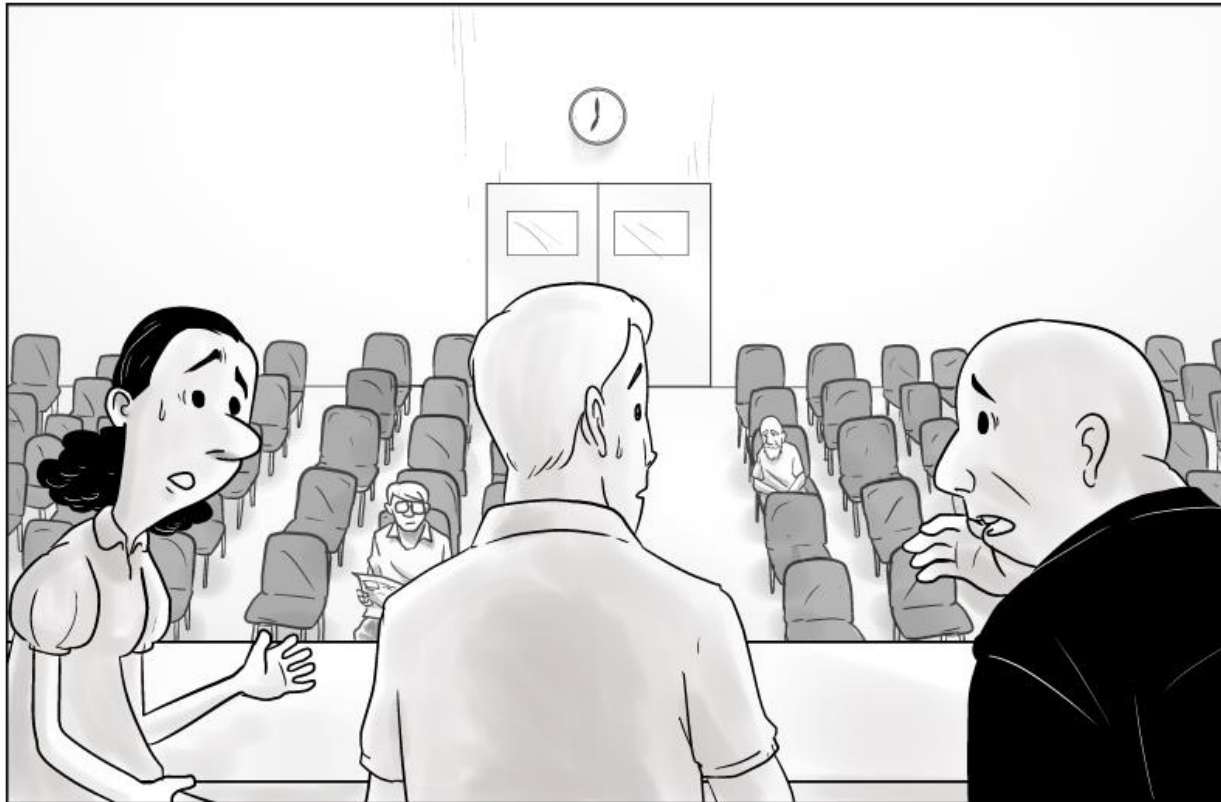




Board Best Practices:  
Member Meetings &  
Transitions

*Presented by  
Nathan Billings, Esq.  
& Chris Farris, Esq.*

September 23, 2017



THE LARGE TURNOUT AT THE OPEN MEETING  
HAD THE BOARD A LITTLE NERVOUS

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# GOVERNING DOCUMENTS - SOURCES



**Deed of Restrictions**

**Kentucky Statutes**

**Articles of Incorporation**

**By-Laws**

**Rules and Regulations**





# Purpose of Annual Meeting

- Elect Directors
- Approve Budget
- Communicate with Members
- Other Business



# Nominating Directors

- **Qualifications**
  - Owner, Relatives, Tenants
- **Nominating Committees**
- **Self-Nomination**
- **Timing**
- **Write-In's**
- **Staggered Terms**
- **Find Your Replacement**
- **Contested Elections**



# Annual Meeting

## ■ Planning

- Date
- Notice
  - Timing
- Proxy Ballots
- Absentee Ballots

## ■ Board Meeting to Elect Officers

## ■ Conduct

- Quorum
  - What if you Cannot Achieve?
- Agenda
- Voting
  - Eligibility – Unpaid Dues
- Vote Counting
  - Objective
  - Method
- Record Keeping



# NOTICE OF ANNUAL MEETING

## NOTICE OF ANNUAL MEETING OF ASSOCIATION

The Annual Meeting of the Members of Association, Inc. (the “Association”) will be held on DATE at TIME EST. The purpose of the Annual Meeting is to hold a meeting of all of the Members of the Association to (i) elect the Directors, which will include nominating and voting for the Directors of the Association in accordance with the Association’s Governing Documents (Master Deed and Bylaws) and KRS Chapter 273.211 *et seq.*

The Annual Meeting will be held at ADDRESS.

Your participation in this Inception Meeting is very important. For your convenience, if you are unable to attend the Annual Meeting, you may vote by absentee ballot or assign your right to nominate and to elect Directors to another person by written Proxy. Please ensure to have the absentee ballot or proxy signed, dated, and witnessed, as applicable and that you complete the name of the person to whom you assign your proxy at the Annual Meeting.





# ABSENTEE BALLOT

## ABSENTEE BALLOT FOR ASSOCIATION ANNUAL MEETING

Complete this Absentee Ballot only if you DO NOT want to vote in person at the Annual Meeting on DATE. Please make sure to LEGIBLY WRITE your name and the address of the property in the spaces below, INITIAL BESIDE the one (1) Option you are voting for, and SIGN AND DATE this Absentee Ballot before mailing it back in the enclosed, self-addressed, stamped envelope. The Absentee Ballot must be received by ASSOCIATION AT ADDRESS no later than noon on DATE in order to be counted.

- You may vote for up to ONLY (#) Directors.
- If you vote for more than (#) Directors, your ballot will not be counted.
- Mark the box to the left of the Directors you wish to vote for with an "X" and initial beside your marked "X".
- Incorrectly marked Absentee Ballots will not be counted.

I, \_\_\_\_\_, affirm that I am the Designated Voter for the property located  
(name)

at \_\_\_\_\_  
(Street address of the property)

I am unavailable to cast a ballot in person at the Annual Meeting, and I elect to vote by this Absentee Ballot. I understand that my association account must be current (all outstanding dues, assessments, late fees, interest and costs and expenses must be paid in full) in order for the vote to be considered valid and count. I HEREBY CAST THIS ABSENTEE BALLOT FOR THE FOLLOWING DIRECTORS:

- | <input checked="" type="checkbox"/> | <u>Initials</u> | <u>Director</u>  |
|-------------------------------------|-----------------|------------------|
| <input type="checkbox"/>            | _____           | <b>NAME</b>      |
| <input type="checkbox"/>            | _____           | <b>NAME</b>      |
| <input type="checkbox"/>            | _____           | <b>NAME</b>      |
| <input type="checkbox"/>            | _____           | <b>NAME</b>      |
| <input type="checkbox"/>            | _____           | _____ (Write In) |

THIS BALLOT MUST BE SIGNED, DATED, AND RETURNED TO THE ADDRESS ABOVE. UNSIGNED AND/OR UNDATED BALLOTS WILL NOT BE COUNTED.

Date: \_\_\_\_\_ (Signature)



# PROXY

## **PROXY FOR ANNUAL MEETING OF ASSOCIATION**

The undersigned, a Member of Association (the "Association"), a Kentucky non-profit, non-stock corporation, as of DATE, hereby acknowledges receipt of the Notice of Annual Meeting of Members of Association, Inc., to be held on DATE at TIME (hereinafter referred to as the "Meeting"), at ADDRESS, and the Proxy attached thereto; and does hereby appoint \_\_\_\_\_ (the "Proxy") as the true and lawful attorney of the undersigned, with full power for substitution for and in the name of the undersigned to vote as proxy for the undersigned each vote the undersigned is entitled to as a Member of the Association at the Meeting and any adjournment thereof, upon the matters set forth in the Notice of Meeting and upon all other matters properly coming before the Meeting, or any adjournment thereof.

I specifically authorize the Proxy to vote as proxy for the undersigned each vote the undersigned is entitled to as a Member at this Meeting for the election of Directors, and in his/her discretion to vote upon all other matters which may come before the Meeting, or any adjournment thereof. Any and all proxies heretofore executed by the undersigned relating the undersigned Membership in the Association are hereby revoked.

DATE: \_\_\_\_\_

SIGNED: \_\_\_\_\_

NAME: \_\_\_\_\_

ADDRESS(ES): \_\_\_\_\_

Number of Lots Owned: \_\_\_\_\_

WITNESS TO SIGNATURE (person other than the named proxy):

\_\_\_\_\_



# TRANSITIONS



## Board Transitions

- 1. Retaining Institutional Knowledge**
  1. Board Books
- 2. Training Replacements**
  1. Finding Your Replacement
  2. Board Retreat
  3. Meet with Manager/Attorney
- 3. Working together after contested election**

## Developer Transitions

- 1. Developer Control Period**
- 2. Advisory Boards**
- 3. Inception Meeting**
  1. New Directors
  2. New Budget
- 4. Assignment of Developer Rights**
- 5. Conflicts & Resolutions**



# MEMBER ENGAGEMENT

- **Communication**
  - Outgoing and Incoming
  - Newsletters, Website, Facebook, Nextdoor, etc...
- **Committees**
- **Events**
  - Social, Charitable, etc...





# BOARD BEST PRACTICES

## Board Transitions

1. What can you and your current board do to facilitate the transition to new board members?

