

OPERATING PROCEDURE #101

ELECTIONS

This Operating Procedure is written to set out the step by step procedure for handling all elections conducted by the Surfside Homeowners Association, including but not limited to, the election of new members of the Board of Trustees at the Annual Meeting.

1. Board of Trustee Action

1.1 The Board shall appoint an Election Committee Chairperson (ECC) at the January Regular Board Meeting.

1.1.1 ECC will be a current member of the Board of Trustees.

1.1.2 This requirement may be waived by a majority vote of the sitting Board of Trustees.

1.2 The Board will appoint a Nominating Committee Chairperson (NCC), with the recommendation of the ECC, at the February Board Meeting.

1.3 The Board will hire a Designated Election Committee Chairperson (DECC), with the recommendation of the ECC, at the May Board Meeting.

2. Responsibilities of ECC

2.1 ECC shall have complete oversight of all election procedures and will act as liaison between all election committees and the Board of Trustees.

2.2 ECC will appoint a Nominating Committee Chairperson with the consent of the Board of Trustees at the February Board Meeting. (See ECC Committee Charter)

2.3 ECC will find and present to the Board of Trustees a Designated Election Committee Chairperson at the May Board Meeting. This person will be hired by a vote of the Board of Trustees. (See DECC Committee Charter)

2.4 ECC shall supervise, and be responsible for, the printing and safekeeping of all Management Proxy forms and Floor Ballots.

3. Nominating Process

3.1 This process shall be conducted by the Nominating Committee Chairperson (NCC) with oversight of the ECC

3.2 The NCC shall conduct his/her action in accordance with the NCC Committee Charter.

3.3 Nomination of candidates for Board of Trustees

3.3.1 Full Term: Article IV, Section 2, of the SHOA By-Laws states. "Trustees shall be elected to serve for three years or until their successors are elected and duly qualified."

3.3.2 Partial Term: Article IV, Section 7, of the SHOA By-Laws states: "Any vacancy on the Board of Trustees shall be filled by appointment by the majority of the remaining Trustees. The Person so appointed shall hold office until the next annual meeting of the members of the corporation, at which annual or adjourned annual meeting, the vacancies for the remainder of the original terms, if any, shall be filled by election by the members in the regular manner."

3.3.3 The appointed Trustee, if he/she desires, may be a candidate for the full term position at the next election (Annual Meeting). Operating Procedure #101 cont.

4. Designated Election Committee Chairperson

4.1 The DECC shall conduct the Election Process in accordance with the DECC Committee Charter, with oversight by the ECC.

4.2 The DECC shall be hired by the Board of Trustees as per a written contract drawn by the Association Attorney.

5. Handling and Control of Management Proxies, Floor Ballots and Association records prior to Annual Meeting.

5.1 Management Proxies and Floor Ballots

5.1.1 The ECC, with help from the Financial Administrator, shall take delivery of all printed Proxies and Floor Ballots and shall be responsible and accountable for their control and safekeeping until they are mailed to the membership or, in the case of the floor ballots, turned over to the DECC

5.1.2 There shall be a mailing each year in June to all members of record to announce the Annual Meeting. This mailing shall include the time and place of said meeting as well as a Proxy Form and a self addressed return envelope. (Return address shall be that of the DECC) See note #1

5.1.3 Upon the receipt of returned Proxies the DECC shall convene his/her hired staff and shall precede with the following tabulation and verification procedure:

5.1.3.1 Verify authenticity of the Management Proxy (M.P.)

5.1.3.2 Register the receipt of returned verified proxies on the Master Members List. (Computer print out supplied by SHOA office) No M.P. shall be counted or otherwise considered which is received after the cut off date stated on the Proxy Form. No Proxy shall be counted or considered if it has been altered in any way.

5.1.3.3 DECC shall count and collate all Proxies returned. A tally shall be kept of all items listed on the Proxy.

5.1.3.4 No cumulative voting shall be allowed.

5.1.3.5 After counting all valid Proxies, all Proxies and Tally Sheets shall be placed in a safe container for storage and transport to the Annual Meeting.

6. Registration for Annual Meeting

6.1 The Registration for the Annual Meeting will be handled by the Registration Committee in accordance with the Committee Charter set forth in this manual.

6.1.1 Registration shall begin at 8:00 AM the morning of the Annual Meeting and shall continue until all eligible members have been permitted to enter the meeting. Registration shall not be terminated before 9:45 AM.

6.1.2 The Annual Meeting shall be called to order at exactly 10.00 AM.

6.1.3 It shall be the duty of the Registration Committee to return all records to the Association office at the conclusion of the Annual Meeting. Operating Procedure #101 cont.

7. Declaration of a Quorum

7.1 It shall be the duty of the Secretary of the Board of Trustees, in conjunction the DECC to report to the President of the Board that a quorum is present at Annual Meeting

7.1.1 In compliance with Article V, Section 3, twenty per cent of the members shall represent a quorum. The actual count in determining a quorum be the number of valid Proxy Forms returned to the DECC, added to the number of members attending the Annual Meeting in person. (NOTE the absence of a quorum, no business or election can be valid.)

8. Control of Management Proxies and Floor Ballots at Annual Meeting

8.1 All Proxy forms and Floor Ballots shall be brought to the Annual Meeting by the DECC and his/her staff.

8.2 Members in good standing who are not recorded on DECC Master List as having voted by Proxy, shall be issued a floor ballot identical to the Proxy except identified by a different colored paper. In addition, they may be issued a colored voting slip for use in voting for issues other than those covered by the Ballot.

8.2.1 A member who previously mailed his/her Proxy to the DECC, but now wishes to vote in person, may request the return of said proxy. His/her Proxy shall be removed from the Held Proxy File by the DECC, subtracted from all the tally counts and destroyed. A Floor Ballot will then be issued to the member in lieu of his/her Proxy.

8.3 When Registration is complete and a quorum has been declared, the DECC shall present to the Proxy Holder, the total number of Proxies that member is

authorized to vote during the voting process. Recipient of each Proxy must affix his/her signature to each Proxy as having received same.

8.3.1 Designated Proxy Holders shall be furnished a Floor Ballot for each Proxy they receive.

8.4 Prior to Floor Balloting, the DECC shall be introduced to the Membership.

8.5 All candidates for office shall be introduced to membership.

8.6 Association President shall call for any nominations from the floor.

8.6.1 Introduction of any floor candidates.

8.7 After Floor Balloting the DECC and his/her staff shall collect all ballots cast.

8.8 When all Floor Ballots have been counted, a certified tally sheet shall be prepared, dated and signed by the DECC. The Tally Sheets from the mail-in Proxy and that of the Floor Ballot voting shall then be combined into a Final Combined Tally Sheet showing the results of the election. This Final Combined Tally Sheet shall then be signed, dated and Certified by the DECC.

8.8.1 If on the Final Combined Tally Sheet, candidates for election are separated by less than one-half of one per cent, the DECC will undertake an immediate recount of votes affecting those persons only.

**8.8.2 In the case of ballot issues not related to office holders, i.e.; funding, building, etc., a recount of votes will be limited to the issue/issues involved only
Operating Procedure # 101 cont**

8.9 Two copies of the Final Combined Tally Sheet shall be prepared and certified by the DECC. One copy shall be presented to the Board Secretary to report and Certify the results of the election. The second copy will be used by the DECC to report the election results to the membership. The Board Secretary's copy of the Certified Election Result shall be placed in the SHOA office security vault with all Proxies, Floor Ballots and Tally Sheets of the election until ordered destroyed by the Board of Trustees after four (4) years.

8.9.1 The DECC shall hold the Proxies, Floor Ballots and Tally Sheets in his/her possession and shall be responsible for their safekeeping until turned over to the Secretary of the Board of Trustees

SPECIAL INSTRUCTIONS TO DECC:

1. Coordinate with ECC to insure that a POST OFFICE BOX has been rented to facilitate the mail-in Management Proxies. This PO Box must be rented before the Management Proxies are printed or mailed.

2. Receive, verify, tabulate and provide a final tally of all mail-in proxies.

3. Keep an alphabetical file on all returned mail-in proxies.

4. Verify with SHOA office all current changes in Master Membership List.

SPECIAL NOTES NOTE #1. Mailing of Annual Meeting notice and Management Proxy Forms shall be at least twenty (20) days prior to the date of the Annual Meeting. Revised and Approved June 20, 1998