

SUNKETCH HOA OPERATING STRUCTURE, POLICIES, AND PRACTICES

DATE: APRIL 6, 2020

NOTE: THE FOLLOWING IS NOT DESIGNED TO SERVE AS A SUBSTITUTE FOR A THOROUGH READING OF HOA GOVERNING DOCUMENTS NOR FLORIDA STATUTE 720 BUT SERVES AS AN OVERVIEW OF HOA REQUIREMENTS AND ADOPTED POLICIES AND PRACTICES

HOA GOVERNANCE

The Board of Directors, composed of 3 members (and subject to adjustment as per governing documents), serves as the governing body of the HOA, responsible for all management and general decision-making except as noted. The Board is required to conduct an Annual Meeting of the Members in accordance with the By-laws. The Board elects officers who carry out day-to-day executive and administrative duties: President, Vice-President, Secretary, and Treasurer. Officers are elected annually by and from among elected (or appointed) Board members.

- President is responsible for all executive actions and is in charge of conducting meetings.
- Vice-President serves as President in the absence of elected President and performs such other duties as the Board may assign.
- Secretary keeps HOA records, notices all meetings, and prepares and maintains minutes of meetings of the Board.
- Treasurer is responsible for overseeing financial records and daily financial operations, subject to employment/engagement of others in these capacities.
- The positions of Secretary and Treasurer may be combined in one member.

The Board may delegate the performance of any of its functions, except as described above, to other individuals or entities, including the hiring of a property manager, accountant, or other functionaries.

BOARD MEETINGS

The Board is required by the By-laws to meet monthly or more frequently at Board discretion. The Board will aim to meet on the evening of the third Thursday of each month. Meetings must be lawfully noticed and should include an agenda. All members in good standing may attend and participate, subject to reasonable rules established therefor. Although the notice requirement only stipulates 48 hours advance notice posted on community bulletin board, the Board's practice will be to give 7 days notice by email in addition to posting notice. At each meeting and following recognition of a quorum, all Board action is taken only following a motion, second, and affirmative vote of the Board members. A quorum occurs when a majority (2 or more) Board members "gather" to "conduct association business".

Board action taken to assign a given subject for review or other action by a committee must also be approved by the Board by vote or consent and directed in writing to the corresponding committee chair

for follow up. Notice to committee chair should include clear instructions and anticipated response timeframe.

COMMITTEES

The existence of certain committees is mandated by the governing documents of the HOA (Architectural Control, Nominating) and/or statute (Architectural, Fines). Other committees may be formed as Standing Committees under the By-laws. Committees serve as legal adjuncts of the Board and are advisory in nature and vested with no decision-making or executive authority except as noted herein.

- Architectural & Grounds Committee – This committee serves two concurrent functions:
 - o Sits as Architectural Control Committee as needed to review requests from homeowners regarding proposed construction/renovation of exterior of individual units. In this capacity, the A&G committee meets as a determinative body to approve or disapprove such homeowner requests and issues a final determination that has legal authority without further Board action.
 - o A Standing Committee to provide guidance to the Board on issues regarding the structures, grounds, and common areas of the Association.

- Community Affairs Committee – This committee serves three concurrent functions:
 - o Sits as Fines Committee as needed to review issues regarding the assessment of fines, suspension of membership, or other action regarding alleged violations of HOA rules and requirements by individual homeowners. In this capacity, the decision of the committee is final and dispositive without further Board action.
 - o Sits as Nominating Committee to recruit prospective Board members in advance of any Annual Member Meeting and to recruit prospective members of any committee at any time
 - o A Standing Committee to provide guidance to the Board regarding various HOA rules, practices, and policies, including social functions.

- Budget & Finance Committee – This standing committee provides guidance to the Board regarding budget and financial issues facing the HOA including funding operations, reserves, and special assessments

- Ad hoc committees – May be formed under special circumstances by the Board to address specific issues that may arise and which the Board determines to direct elsewhere than a Standing Committee

Committees are composed of three or more members, including a Chair, and shall be assigned a Board representative who will not have voting power but will serve as a liaison between the Board and the committee.

COMMITTEE FUNCTION

Committees will receive their assignments in writing from the Board to each committee Chair. The Chair is responsible for equitably delegating action from among committee members, conducting committee meetings, conducting proper voting protocol in approving, disapproving, or otherwise acting upon materials/information submitted by its membership in pursuit of Board assignments, maintaining or designating another committee member to maintain minutes of committee meetings, and marshalling approved, written reports and recommendations to the Board. Committee Chairs should attend all Board meetings in which an item assigned to that committee appears on the agenda, or, alternatively, appoint another committee member to attend, in order to address and answer questions regarding reports/recommendations offered by that committee.

Committee meetings are subject to the quorum rules governing the Board, are open to all members, and should be conducted consistent with Board practices as described above except as follows:

- Committees should plan to meet monthly before the second Thursday of each month, in order to have its reports/recommendations submitted to the Board prior to each corresponding monthly Board meeting;
- Committee meetings should be scheduled by the Chair with notice to the Board including topics covered. The Board will then post a notice at the community bulletin board.