Memo

To: David Twiggs, COO/General Manager
From: Harv Shelton, President
       Linda Mayhood, Asst. General Manager
Date: March 16, 2016
Re: Motion – Approve Proposed Revisions to Bylaws

Motion

I move to approve the proposed revisions to the Bylaws as presented.

Background:

Proposed revisions to Hot Springs Village Bylaws, Article VIII, Board of Directors: Election Process, Sections 4, 5 and 6 are being recommended to reflect current business practice. Legal counsel has reviewed and approved proposed revisions and his revision (noted in green) is incorporated in the attached red-lined copy.

The proposed changes include the following:

Section 4 – Gives the Board of Directors the option of appointing an interim director to fill a board vacancy, as may be necessary under varying circumstances.

If a vacancy occurs on the Board of Directors for any reason, the Board shall may appoint a successor director to serve an interim term being the time until the next election and certification date.

Section 5 and 6 - In current business practice, board terms do not vary in length, thus verbiage applicable to such is removed.

Section 5 In an election where there are positions open with varying lengths of terms, and there are more candidates than open positions, the candidate(s) receiving the highest number of votes will receive the longer term(s) in successive order as determined by the election ballot procedure.
The results of the election will be submitted to the General Manager who will notify the current Board of Directors, and all Board of Directors candidates and issue a press release on the results on the designated election date. The Board of Directors shall certify those so elected and the terms at its April regular meeting.

If the length of the terms of the positions being filled are not equal, and/or there is a need for an incumbent Board member to continue in office until a successor shall have been elected and certified by the Board of Directors, both of these issues will be decided by the drawing of lots by the candidates or the affected Directors. Language is added to include provisions for incumbent Board member(s) to continue in office until a successor is elected and certified by the Board of Directors, in the event that the number of certified candidates in a Board of Directors election is less than the number of positions being vacated.

The conclusion of an election should result in all seven positions on the Board of Directors being filled. If the number of certified candidates is less than the number of positions being vacated, (an) incumbent Board member(s) shall continue in office until (a) successor(s) shall have been elected and certified by the Board of Directors. The incumbent(s) who will remain in office will be determined by drawing lots by the affected Directors. Any incumbent Director unwilling to continue in office may be excluded from drawing lots. If enough willing incumbent Directors are not available to fill all seven positions, the Board of Directors may appoint an interim Director to fill any vacant position in accordance with Section 4 above.

A redlined copy of the proposed changes is attached for your review.

This was discussed at the February 17, 2016 regular meeting.
Proposed changes to HSVPOA Bylaws, Article VIII, Sections 4, 5 and 6:

Section 4. (last paragraph)
If a vacancy occurs on the Board of Directors for any reason, the Board may appoint a successor Director to serve an interim term being the time until the next election and certification date.

Section 5. Each ballot returned shall be counted by the POA staff and stored in a safe and secure place. An ad hoc Election Day Committee, composed of members in good standing, recruited and selected by a blind draw, shall be appointed by the Board of Directors at its March regular meeting. The ad hoc Election Day Committee shall oversee the opening, counting and tally of ballots on the date of the election. The Board of Directors shall designate a date as the date of the election. The candidates receiving the greater number of votes shall be elected to fill the number of positions vacant. In an election where there are positions open with varying lengths of terms, and there are more candidates than open positions, the candidate(s) receiving the highest number of votes will receive the longer term(s) in successive order as determined by the election ballot procedure. The results of the election will be submitted to the General Manager who will notify the current Board of Directors; and all Board of Directors candidates and issue a press release on the results on the designated election date. The Board of Directors shall certify those so elected and the terms at its April regular meeting.

Section 6. (second paragraph)
If the length of the terms of the positions being filled are not equal, and/or there is a need for an incumbent Board member to continue in office until a successor shall have been elected and certified by the Board of Directors, both of these issues will be decided by the drawing of lots by the candidates or the affected Directors.

The conclusion of an election should result in all seven positions on the Board of Directors being filled. If the number of certified candidates is less than the number of positions being vacated, (an) incumbent Board member(s) will need to shall continue in office until (a) successor(s) shall have been elected and certified by the Board of Directors. The incumbent(s) who will remain in office will be determined by drawing lots by the affected Directors. Any incumbent Director unwilling to continue in office may be excluded from drawing lots. If enough willing incumbent Directors are not available to fill all seven positions, the Board of Directors may appoint an interim Director to fill any vacant position in accordance with Section 4 above.