

GOVERNORS CLUB PROPERTY OWNERS ASSOCIATION

ADMINISTRATIVE RESOLUTION NO. 7

DATED: 04/10/2013

TITLED: POA BOARD MEETING PROCEDURES

(Supersedes all previously enacted POA policies relating to open and close meetings of the Board and specifically repeals Administrative Resolution No. 3 dated 5/15/2012)

WHEREAS, Article IV, Section 1 of the Bylaws assigns the Board of Directors (“Board”) duties and responsibility to manage the business and affairs of the Master Association incorporated as the Governors Club Property Owners Association (“ POA”), and Article 3.4 of the Declaration states that the affairs of the POA shall be administered by the Board of Directors and in accordance with the Declaration, the Articles of Incorporation and the Bylaws;

WHEREAS, the Board wishes to establish standards and guiding principles for both volunteer leaders and Board Members for Open and Closed meeting sessions; and

WHEREAS, neither the Declaration, the Bylaws nor North Carolina law require the POA to conduct Open Meetings; and

WHEREAS, the Board desires to maintain the utmost transparency in its operations for the benefit of the POA membership; however, the Board has found that the conduct of Open Meetings in every situation has hindered Board Members from free and open debate on issues of urgent business before the Board;

NOW, THEREFORE, the Board has determined that it is in the best interests of the Board and Committee members to have flexibility in determining the conduct of meetings, where an Open Session or Closed Session decision is made on a case by case basis depending upon the nature of discussions and the need for Board or Committee members to have a free and open debate on a given topic without concern for censorship or misinterpretation of motive or wording,, and to that end, the following procedures shall apply:

At Regular Meetings (Open or Closed session) of the Board of Directors, meeting minutes will be taken to record the POA’s actions and to preserve the Directors’ voting records. The minutes should reflect all matters brought before the Board of Directors, whether adopted, dismissed without discussion or vote, rejected, deferred, tabled, or simply presented as information. Meeting minutes stand as a record which when approved become “public” record and as such can be viewed by Members of the POA. Once approved, the minutes should be signed and dated by the presiding Secretary and placed in the Minutes Book as a permanent record of the POA.

The Board may decide at any time during a regular meeting that it will go into Closed Session, upon majority vote of the Board members present. The Board may decide to close a meeting for any reason agreed upon by majority vote, including but not limited to a decision that free and open discussion by the Board members will be better facilitated by convening in Closed Session. Once the meeting is closed, non-directors shall leave, but invitees may remain at the discretion of the Board.

At Regular Meetings, the Board may also decide to go into Executive Session. During Executive Sessions of the Board of Directors, meeting minutes will not be taken. Executive Session is for discussion purposes only. A majority vote is required to adopt the motion to convene in Executive Session. The presiding officer should only give the general topic(s) to be discussed. The motion and reason to go into Executive Session are recorded in the minutes of the Regular Meeting. Proper reasons for convening an Executive Session generally concern issues that—if discussed in public—could violate confidentiality or cause harm or embarrassment to the POA or another party, specifically including, but not limited to discussion of legal matters, personnel matters and personal or financial information concerning individual Members of the POA. Only directors, managing agent(s), key committee members (e.g., chair of Finance Committee, chair of ARB, etc.) and expert advisors (e.g., attorney, accountant,

engineer, etc.) shall be allowed to remain in Executive Session as the matter to be discussed would dictate. At the conclusion of the Executive Session, the presiding officer simply announces that the Executive Session is ended and reopens the meeting in Open Session. No contract, motion or other action adopted, passed or agreed to in Executive Session will become effective unless the Board of Directors reconvenes in Open Meeting and takes a vote on such action.

Valid reasons for going into Executive Session include, but are not limited to:

- Consulting with the POA's counsel regarding legal issues;
- Discussing litigation or prospective litigation either by the POA or against the POA;
- Reviewing personal information that is confidential or should not be generally known, such as delinquencies in Members' payment of assessments;
- Conferring about contracts or property purchases;
- Reviewing POA employees or personnel issues; or
- Discussing matters involving violations of the covenants or rules and regulations.

RESOLUTION ACTION RECORD

Resolution Type: Administrative, No.7 (repeals Administrative Resolution No. 7 dated 5/15/2012)

Pertaining to: POA Board Meeting Protocol

Duly adopted at a meeting of the Board of Directors held: 4/10/2013

Motion by: Doug Frey **Seconded by:** Kelly Hunter

VOTE:	YES	NO	ABSTAIN	ABSENT
<u>Becky Berrey</u> President	X			
<u>Gus Kolas</u> Vice President	X			
<u>Mike Donoghue</u> Treasurer				X
<u>Kelley Hunter</u> Secretary	X			
<u>Becka Huckabee</u> Director(s)	X			
<u>Doug Frey</u> Director(s)	X			
<u>Judi Anderson</u> Director(s)	X			
<u>Mark Ferraro</u> Director(s)				X

ATTEST: Kelley Hunter
Secretary

4.10.2013
Date