

Manderley Homeowners Association Inc.

Minutes of Special Meeting of Members

March 1, 2006

A special meeting of members was held on March 1, 2006 at 911 Wallace Court, Lake Mary a 6:30 pm.

The meeting was called to order by President Rod Pixley at 6:34 pm. Due to lack of quorum Darrel Jarvis moved to adjourn meeting. (quorum needed was 50% + 1 which is 106 homeowners).

The meeting was again called to order by President Rod Pixley at 6:35 pm. Darrel Jarvis again moved to adjourn due to lack of quorum. (quorum needed for second call to order, 25% which is 53 homeowners).

President Rod Pixley called the meeting to order at 6:35 pm. A quorum of members was verified with at least 10% of the members present in person or by proxy. Total number of members represented was 44.

Joyce Malone stated that Jeff Deen had asked whether the meeting was legally noticed and was the wording of the amendment sent to all homeowners. Rod explained that the notice of the meeting was mailed to all homeowners on record in a newsletter at least 30 days prior to the meeting. The wording of the amendment was not mailed to all owners, as it is not required.

Rod moved to amend the current fencing regulations to read: **“ Except as specifically set forth herein, no fence is to be installed in the side yard of a home. The ARC may, upon good cause shown, allow owners of irregularly shaped lots to install fences in the side yard of the home. The determination of whether a specific lot constitutes an irregularly shaped lot shall be made by the ARC in its sole and absolute discretion.”** Rick 2nd.

Darrell Jarvis questioned the wording regarding the Architectural review committee having sole discretion to approve the moving of a fence and the determination of an odd shaped lot. Darrell suggested it be changed to “The Board”. **The motion was amended to remove the ARC language and to have the Board of Directors make the determination of an irregular shaped lots**. Rick agreed. Another question was asked, why the board could not just name the 19 lots that are irregular in the community. Rod explained that Florida Statutes state that you cannot put specific restrictions on specific lots within a community. A vote was taken by a show of hands. 31 homeowners in agreement with amendment. 13 against. A vote of 40 homeowners in favor was need for the amendment to pass.

Jill Gongwer of 520 Manderley Run moved to include white pvc vinyl as a choice for fencing, along with the cedar. Rick 2nd. Discussion: Jill told those present that the vinyl is lower maintenance then the cedar, it looks cleaner and is easier to clean than wood.

Julie Rodebush explained to those present why the previous board had chosen the cedar fencing. Several homeowners stated that the choice of fencing material needed to be one or the other, there should not be an option of vinyl or wood. Amendment to previous motion: From this day forward all fencing will be white vinyl. Rick agreed. A vote by show of hands was taken. 24 homeowners in agreement of amendment. 20 homeowners opposed. Amendment failed.

Lance moved to adjourn special meeting of members. 7:56 pm.

A meeting of the Board of Directors was called to order at 7:59 pm. By President Rod Pixley.

A quorum of the board was verified with 8 of 8 members present; Rod Pixley, Joyce Malone, Lance Beck, Ira Blake, Todd Cannitelli, Rick Gardner, Tony Purstell, Doug Chapman.

Rod Pixley handed out to the members a Code of Conduct for Members of the Board (see attached copy) Rod explained what Fiduciary responsibility was. Rod moved to accept the Code of Ethics for Manderley HOA. Lance 2nd. Joyce moved to table until the April meeting Ira 2nd.

Rod informed the Board members that the law firm Clayton and McCullah would be holding a seminar for Board members and asked if anyone would be interested in attending. The date of the seminar is March 25th and the cost is \$100 for the 1st 5 members of an association. Rod moved to have the HOA pay for any board member that would like to attend. Ira 2nd. Rod also suggested that committee chairpersons should be given the opportunity to attend the meeting. A vote was taken by a show of hands. All in favor.

Architectural Review Committee Report:

Kat McLane presented to the board an application from Steve and Kerry Ann Coburn for an addition to their home at 591 Lake Coven Court. Ira moved to approve application. Doug 2nd. Vote taken by show of hands. All in Favor.

An application was presented from 479 Randon Terrace to remove and replace trees. Doug moved to approve application. Lance 2nd. Vote taken by show of hands. All in favor.

The minutes of the February 1, 2006 meeting were reviewed. Lance moved to accept the minutes as submitted. Ira 2nd. Vote taken by show of hands. All in favor.

Social Committee:

Rod moved to rename the Social Committee to the Social Club and provide the members with a mandate of welcoming new homeowners into the community, promoting and hosting social events for the neighborhood children and adults and provide them with a

budget line item of \$500 per quarter to be carved out of the capital reserve for this year and accounted for in budgeting for future years for the presentation and hosting of these events under the control of the club. Lance 2nd. Vote taken by show of hands. All in favor.

Grounds and Maintenance:

Rod informed those present that Manderley is slated to have the sign frames completed by March 30th.

Rod moved to assign \$6,500 to the storm water committee to use toward the pre-tilling maintenance, including clearing the ponds and aerating. This includes \$1000 to chemically treat the vegetation in the ponds. Tony 2nd. Vote taken by show of hands. All in favor.

Rod suggested that the management report be tabled until the April meeting. Lance 2nd.

At the February meeting it was suggested that a committee be formed to look at the possibility of allowing choices of trim colors other than white. It was agreed upon that the Architectural Review Committee would be responsible for looking at this and making recommendations to the Board. No additional committee is needed for this matter.

Nominating Committee:

Rod moved to appoint Tony Purstell as chairman of the Nominating committee, with Tony to choose the two homeowners to serve on the committee with him. Rick 2nd. Vote taken by show of hands. All in favor.

Rod nominated Kathleen Keller to fill the vacant position on the Board of Directors. Tony 2nd. Discussion: Joyce felt that the vacancy needed to be put out to the homeowners. Vote taken by show of hands. 2 in favor, Rod and Ira. 4 against, Tony, Lance, Doug and Joyce. 2 abstain Rick and Todd. Motion failed.

Ira nominated Lance Beck as Vice President. Todd 2nd. Vote taken by show of hands. All in favor.

Amanda of Specialty management stated that she had chosen two homes for Yard of the Month. 498 Randon Terrace and 167 Randon Terrace. Lance moved to allow \$150 for the purchase of two yard of the month signs. Doug 2nd. Vote taken by show of hands. All in favor.

Joyce moved to have Ira fill Glenn's place on the Policy and Procedures committee. Doug 2nd. Vote taken by show of hands. All in favor.

Rick moved to adjourn meeting at 9:00 pm.

Minutes submitted by Amanda Vander Vliet of Specialty Management.

ETHICAL CODE OF CONDUCT FOR MEMBERS OF THE BOARD OF DIRECTORS

As the Board of the Manderley Homeowner's Association we have been charged with managing the community. In fulfilling our duties, it is important for us to appreciate and understand the nature of the responsibilities we have undertaken.

One of the most significant issues we face as directors is the potential for personal liability for improper performance of our duties. Even though we are unpaid volunteers, Florida law holds that we have legal responsibilities to the Association and can be held personally liable to the Association for failure to fulfill these responsibilities. As directors we have a fiduciary duty to always act in the best interests of the Association. This fiduciary duty is comprised of the duty of loyalty, care, honesty and good faith. Acting in accordance with these duties requires a basic understanding of what each duty requires.

CODE OF CONDUCT

1. **Good Faith.** A director owes the Association a legal duty to act in good faith, which basically means to act honestly and faithfully in upholding our obligations in the association's best interests. All information given to homeowners should always be factually correct and represent the position of the Association.

2. **Duty of Care.** A director owes the Association a legal duty of care to act with the same degree of care as an "ordinarily prudent" person would under the same circumstances. When taking bids for services or reviewing a contract, directors must carefully review all of the options available and consider all relevant factors before making a decision.

3. **Duty of Loyalty.** A director owes the Association a legal duty of loyalty to act in a manner that the director reasonably believes to be in the best interests of the Association. A director may not make any decisions or take any action against the interests of the Association and its members for his or her own benefit. The duty of loyalty to the Association is above personal loyalties.

4. **Duty to Minimize and Disclose Conflict of Interest.** A director owes the Association a duty to minimize conflicts of interest. Conflicts of interest can involve personal financial benefit at the expense of the association and but can also involve other situations which should be avoided:

a. Self dealing contracts

Self-dealing in contracts, where a director or close relative contracts with the Association for the provision of services should be avoided. If the Association does make such a contract the conflict should be publicly disclosed, and noted in the official minutes of the Association.

b. Covenant enforcement

Directors are not above the law. Like all owners, directors must be held accountable for violations of the Association's covenants, rules and regulations, including going through proper approval procedures prior to making alterations to their home and paying late charges when assessments are delinquent. Selective enforcement of the covenants against directors can result in the Association waiving its right to enforce them against other owners.

c. Budgeting

Directors should not make decisions to waive reserves for capital improvements or keep reserves low because they personally do not want to pay higher assessments. All budget decisions should be made with the Association's best interest in mind.

As directors we should take an oath to protect ourselves, and diligently, faithfully and honestly provide service to the community. If a conflict or potential issue arises which could give the board an appearance of impropriety please take every effort to minimize the conflict and disclose it on the record.