

The Role of the Clubhomes of Windhill Board of Directors

The Clubhomes of Windhill Property Owners Association (CWA,HOA) needs a strong Board of Directors (BoD) that understands its role and pursues it with passion and a concise mission in mind. The BoD has responsibility for its common elements as well as the management and operation of the association's business affairs, all in accordance with standards established by the governing documents created when the community was first developed. To the extent that it has such authority and control, it is the board of directors that carry out the duties and responsibilities.

The following outline provides an overview of the BOD's roles and responsibilities.

- The Board must have a clear understanding of the values of the association, its history and what is to be accomplished.
- The Board must have responsibility for its assets as well as its operation in accordance with standards established by state and federal law, local ordinances, and the governing documents upon which the CWA itself was created.
- Members of the Board of Directors serve without compensation.
- The Board's authority includes all of the powers and duties enumerated in general law, as long as these powers are not inconsistent with the provisions of the Bylaws, Declaration of Covenants and Guidelines (CC&R's) governing the association.
- A Board member's fiduciary duties involve three basic components: **the duty of care, the duty of loyalty and the duty to act within the scope of its authority.**
 - **The Duty of Care**
 - To meet the duty of care, the Board member must make informed decisions, which might require a bit of research before we act or vote on an HOA matter. For example, before fining a homeowner for a rule violation, the Board must familiarize itself with the association's CC&R's, and the details of the situation, such as by communicating with the homeowner. HOA BoD must also act in a prudent and reasonable manner, basically using sound business judgment, and avoiding arbitrary or capricious actions.
 - **The Duty of Loyalty**
 - The duty of loyalty requires that Board members act fairly, in good faith, in the interest of, and for the benefit of, the HOA as a whole, rather than make decisions based on any personal interest or gain. HOA Board members should also avoid acting where there is a conflict of interest. For example, a Board member who is helping select landscapers for the property should not steer contracts for landscaping to family members.
 - Additionally, Board members must protect members' confidentiality, and not divulge information provided in confidence. For example, if a home owner confides in a Board member about his impending home foreclosure in order to arrange a payment plan for HOA dues, the Board member should not disclose the information to a friend or neighbor.

- **The Duty to Act Within the Scope of Authority**
 - This duty requires the BoD to perform the duties it's obligated to carry out, but prohibits the Board from making decisions or acting on matters without the authority to do so. The authority of an HOA comes from its obligations under state laws, as well as the authority granted to it in the development's governing documents.
 - To ensure that obligations are met, each Board member must know what duties are required. This is accomplished by reviewing state law and HOA's governing documents, specifically the articles of incorporation and bylaws, and the Clubhomes of Windhill Property Owners Association CC&R's to determine the HOA's obligations, and the extent of its authority.

The BoD's powers and duties normally include:

- **Enforcing provisions of the Declaration of Covenants, Bylaws and Guidelines (CC&R) for the ownership and management of the development.**
- **Paying taxes and assessments that are, or could become, a lien on the common area.**
- **Contracting for insurance on behalf of the association.**
- **Contracting for goods or services for the common areas or for the association.**
- **Delegating powers to any committees, homeowners or officers of the association as authorized by the governing documents.**
- **Preparing budgets and financial statements for the association.**
- **Formulating rules of operation for common areas as well as establishing an approval process for external modifications and improvements in accordance with the CC&R's.**
- **Conducting disciplinary proceedings against members of the association for rule violations.**

BOARD MEMBER QUALIFICATIONS:

1. No more than one person from a given household can serve at the same time.
2. The Candidate must be a resident/owner and reside at their home for no less than one year.
3. No one convicted of a felony or embezzlement may serve on the Board.
4. Knowledge and engagement in how the Board functions and community issues.
5. Current on assessment payments; have had no late payments for a period of 3-years.
6. Have no violations and/or fines assessed against them for infractions for a period of 3-years.
7. An individual who has read, understands and is committed to upholding the CC&Rs.
8. An individual who understands that being on the Board is about managing the business of the CWA for what is best for all 42 homes not just individual homeowner needs.
9. Candidate must not be in litigation or legal proceedings against the Association or any member of the Board of Directors.
10. An individual who is a team player and can work well with fellow Board members as well as maintaining a working relationship with the Countryhomes Board.
11. An individual who is committed to attending and participating in the meetings of the Board and

having the time and ability to take an active role in the management of the Association as this is a self-managed community. The Board commitment can fluctuate but at minimum each member should be willing to apply 25-30 hours per month.

Skills set requirements:

1. A willingness to undertake and/or oversee projects undertaken by the Board.
2. Ability to analyze the requirements of the community, write RFP's, solicit bids, negotiate contracts, and work with or manage contractors and vendors.
3. Ability to monitor the community email, read and handle requests and respond to homeowners appropriately.
4. Maintain a history of all correspondence, email, etc.
5. Possess a familiarity with QuickBooks and a knowledge of accounting to be able to prepare budgets, produce monthly and annual reporting, manage accounts receivable and accounts payable, prepare checks, etc.
6. Have knowledge and understanding to provide and manage banking services, such as making deposits and managing the auto- withdrawal process.
7. Ability to understand and maintain a working knowledge of the infrastructure systems of the property; ponds, waterfalls, irrigation systems, pumps, electrical, etc.

Commitment of Service

Within 30 days after being elected or appointed to the Board, each newly elected or appointed director shall sign a '**Commitment of Service**' pledge attesting that he or she has read the association's Declaration of Covenants, Bylaws and Guidelines, and that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the association's members.