



BOARD GOVERNANCE, AUTHORITY, MEETING PROCEDURES, AND AGENDA POLICY

2016 - 1

Productive Board meetings are the foundation of a successful community association. As such, these meetings should be carefully planned, facilitated and documented. One of the most effective ways to accomplish productive meetings – and strong governance – is to carefully design an agenda and then closely adhere to that agenda.

Board meetings are defined by the Davis-Stirling Act as a gathering of a majority of directors at the same time and place to "hear, discuss, or deliberate upon any item of business that is within the authority of the Board." (Civ. Code §4090.) A Board meeting is a meeting of the corporation's Board of Directors to conduct business of the corporation.

1. SPECIFIC POWERS AND LIMITATIONS ON BOARD OF DIRECTORS AUTHORITY AS PROVIDED IN RESTATED BYLAWS OF TDA

- Article IX, Section 1: Specific Powers of Board
- Article IX, Section 2: Limitation on Board Powers
- Article IX(2)(a): Actions needing approval of majority of quorum of Members
- Article IX(2)(b): Actions needing approval of majority of total voting power of Members
- Article IX(2)(c): Actions needing approval of all Members

2. SUMMARY OF BOARD RESPONSIBILITIES: Ultimate authority for the management of the Corporation rests with Board. The Board should make decisions involving;

- corporate policy and strategic planning
- election of officers and determination of the officers' duties
- hiring and performance oversight of General Manager
- adoption, amendment of repeal of the Declaration and Bylaws subject to certain limitations for member approval
- approval of material contracts
- determination and oversight of the Association's budget and finances
- approval of other major corporate transactions

The Board must make decisions as a Board; the individual directors cannot act alone. Individual directors cannot act by proxy; neither can they appoint alternates to act in their place.

3. FIDUCIARY DUTIES OF A DIRECTOR (BOARD MEMBER)

“A director shall perform the duties of a director, including duties as a member of any committee of the Board upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.” (Corp. Code Sec. 309, 5231, 7231; Declaration Article III Section 9)

4. DUTY OF CARE

A director must be adequately informed and diligent when making a corporate decision and overseeing the management of the corporation. With respect to “reasonable inquiry,” the director may rely on information, opinions, reports, or statements, including financial statements, prepared or presented by:

- one or more corporate officers or employees the director believes to be reliable and competent in the matters presented;
- counsel, independent accountants, and other persons on matters the director believes to be within such person’s professional or expert competence; and
- a committee of the Board on which the director does not serve, as to matters within the committee’s designated authority.

5. DUTY OF LOYALTY

Each director must act in a manner the director believes to be in the best interests of the Association. The directors must strive to advance and achieve the Association’s purposes as stated in the Articles of Incorporation and Bylaws, not to advance the interests of the director or other individuals.

6. AVOIDING CONFLICTS OF INTEREST TRANSACTIONS

No director shall participate in any discussion or board action concerning or in any way attempt to use his or her Board position to influence a Board decision in which the director knows or has reason to know that he or she has a material financial interest (Bylaws IX(3)(a)(i))

7. BOARD MEETINGS

For good governance, the elected Board of Directors of Tahoe Donner Association, a California Mutual Benefit Corporation/Common Interest Development/Internal Revenue Service 501(c)4 Social Welfare Organization, follow basic organizational fundamentals including holding meetings.. Through these meetings the Board conducts association business and solicits feedback from the owners/members in matters which directly impact the membership’s \$3.1 Billion real estate asset investment in this community. There are five different types of meetings the Board holds to conduct business on behalf of the membership; regular board meetings, which are required to take place according to the association bylaws at least quarterly – but generally occur monthly, special board meetings which occur outside normally schedule regular meetings, an annual meeting of the membership, executive session meetings – closed to the membership, and

town hall meetings in order to solicit feedback from the membership in a large facilitated group forum.

Types of Board Meetings:

Annual Meetings: Annual meetings (an Annual Membership meeting is to be held in June) are required by the Governing Documents, which specify when they're to be conducted and how and when members are to be notified about the meeting. This is the main meeting of the year when members elect a Board of Directors, hear committee reports and discuss items of common interest.

Regular Board Meetings: Most of the business of the Association is conducted at Regular (often monthly) Board meetings, with membership notification of the meeting date, time, location, and agenda at least four days in advance. In these Regular meetings Board members set policies, oversee management's results, review operating and financial results, resolve disputes, hear appeals, talk to residents and plan for the future. Often the health and harmony of an entire community is directly linked to how constructive these meetings are. Tahoe Donner's Board of Directors hold monthly meetings according to an annual regular meeting schedule, which is discussed and approved by the Board of Directors after the Annual Membership meeting in June. Given the diversity and size of the membership (6,500 owners, and over 25,000 members, with the vast majority of member's primary residence away from Tahoe Donner) selecting one regular day of the month or time which could possibly accommodate the membership's schedules to attend Regular Board meetings in person is nearly impossible. Typical monthly meetings start at 9:00 a.m., and are held at either the Lodge Restaurant & Pub or at the Northwoods Clubhouse. Meeting schedules and agendas are published online under the Association's Membership/Board of Director's page and on the bulletin board of the Northwoods Clubhouse. Members can sign up to receive regular association emails on this subject as well.

Special Board Meetings: Special meetings are limited to a particular topic. The Board can call a Special Board meeting at any time, of which they must notify all members in advance. Notification is conducted on the Association's bulletin board in the Northwoods Clubhouse and on the company website. The notice will specify the topic so interested members can attend. Special meetings give the Board an opportunity to explore sensitive or controversial matters in order to better inform their decision-making. Members are often requested to participate in the meeting during scheduled membership comment periods, and members always have a right to listen to Board discussion.

Town Hall Meetings: Town hall meetings are informal gatherings intended to promote two-way communication between the Board and Association members. The Board may want to present a controversial issue or explore an important question like amending the Bylaws. The Board may want to get a sense of members' priorities, garner support for a large project or clarify a misunderstood decision. However, given the size and part-time occupancy of the 6,500 property resort community's ownership interest, information is often communicated and feedback solicited online and via the Tahoe Donner News Magazine, in addition to actual physical meetings.

Executive Session Meetings: The Governing Documents and California Law require the Association to notify homeowners in advance of all meetings, including Executive Session

meetings. However, the only time members may not listen is when the Board goes into Executive Session. Topics the Board can discuss in Executive Session are limited by law to a narrow range of sensitive topics which include personnel matters, legal topics, contracts, or similarly related sensitive topics. Summarized results of these discussions and decisions are disclosed at the next Regular Board meeting.

Executive Sessions of the Board of Directors are provided by statute so the Board can address issues involving privileged information and matters of a private nature, including subjects protected by attorney client privilege. As a result, members do not have a right to attend Executive Sessions. As provided for in [Civil Code §4935](#), Boards may go into Executive Session for the following matters:

- Legal Issues
- Consider Litigation
- Formation of Contracts
- Disciplinary Hearings
- Personnel Issues
- Payment Plan
- Foreclosure

The Board will affirmatively vote to adjourn from Regular meetings into Executive Session confirming the executive agenda to be discussed by a majority vote. The Board must approve decisions by a majority vote of the directors in Executive Session, and report out decisions at the next regularly scheduled open session. ([Civ. Code §5705\(c\)](#)).

Video Recording of Regular Board Meetings: Given the diverse nature of the membership's geographic primary residence, the Board understand there is not one time when Board meetings can be held which will satisfy membership physical participation. As a result, the Board will endeavor to audio/video record Board meetings in order to make them available to the membership within 16 days after Board meetings. Audio/Video recording of Board meetings will be posted on the association website and be retained for 2 years after Board meetings. The Board will actively research the possibility of broadcasting Board meetings live.

Agenda Preparation:

1. It shall be the responsibility of the Board President to oversee Staff's preparation of the Board meeting agenda. Each topic should be clearly articulated, list the length of time expected for discussion and the person responsible for leading the discussion.
2. The agenda will be ordered so that topics deemed to be of greater importance to property owners shall be scheduled in the morning portion of the agenda.
3. "Special" Board meetings shall have a specific agenda dealing only with the item and/or topic for which the meeting was called.

4. Items must be submitted to the President for placement on the agenda no later than ten (10) business days prior to the meeting.
5. Topics on the agenda shall be designated either as an “Action” or a “Discussion” item. Items listed as Action, are intended for the Board to make a determination on at that scheduled meeting. Items listed as Discussion, are intended to inform the Board on topics that might later be brought before the Board as Action items.
6. Board books shall be ready for Directors no later than the six days prior to the Board meeting.

BOARD MEETING PROCEDURES:

1. It shall be the Board President’s responsibility to cover the agenda and keep Directors, Staff and members on topic and focused. Member comments are welcome and generally limited to 3 minutes at the beginning of meetings for items not on the agenda.
2. The Board President will generally use “Roberts Rules of Order” to conduct board meetings.
3. While allowing for flexibility in the time frames allotted for discussion of each agenda item, every effort will be made to adhere to the stated time limits.
4. The Board Secretary will assist the President in moving the agenda along by monitoring agenda time limits.
5. Copies of the following documents will be made available at the meeting for member access: Agendas, Minutes, Consent Calendar and Financials.
6. Board meetings shall be audio recorded for the purposes of creating Board meeting minutes. Audio recordings will not be retained once meeting minutes are produced and approved by the Board.
7. Meeting minute drafts shall be produced and made available to the membership 16 days after Board meetings. Final Board meeting minutes must be approved by the Board of Directors at the next regularly scheduled Board meeting.

ACCEPTED AND DATED: July 23, 2016

Steve Miller, President

Jeff Bonzon, Treasurer

Ron Wulff, Director

Darius Brooks, Director

Jeff Schwerdtfeger, Director