



MARKUP #1 ->

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

2. Any person owning real property immediately contiguous to the Bay Hill area may become a member provided the property in question be approved by the general membership and a legal agreement is signed stating that the admission to membership includes the same rights as those outlined in Article IV.A. Of the Articles of Incorporation.

ISSUE #1

ARTICLE IV

Dues Assessments and Members in Good Standing

1. The members of the Corporation shall pay annual membership dues as necessary to provide funds adequate to achieve the Corporation's purpose in such amounts as necessary to meet the budget approved by the membership at the annual membership meeting.
2. In addition to the annual membership dues, the Board of Directors may assess the members of the Corporation on an annual basis or a special basis, as necessary, to acquire funds that may become necessary of the provision of extraordinary services to the members or to cover extraordinary expenses of the Corporation. Without limiting the general scope of the foregoing, such assessments may be levied to provide for security patrols, security programs and personnel, to enhance the general safety of the members of the Corporation, and to acquire funds necessary for repairs of corporate assets or for making capital improvements.
3. A member is in good standing if the member's dues and assessments for each and all lots owned by the member have been paid for the current year in which business is being conducted by the Corporation. Only members in good standing shall be entitled to vote at any meeting of the Corporation or otherwise regarding the Corporation's affairs.
4. A monthly service charge (assessment) of 1 ½ percent will be applied on all unpaid dues and assessments beginning 30 days after billing. This monthly service charge will be computed at an annual percentage rate of 18 percent.
5. The Board of Directors shall provide each member of the Corporation a copy of the ensuing year's budget in November of each year.
6. The Board of Directors shall provide each member of the Corporation a financial report each quarter year.

Sec. IV (p. 2): Unlawful Voting Suspension or "Good Standing" Disqualification: Clause strips member voting rights without statutory authority/due process or conditions records inspection/meeting notice on assessment "Good Standing" in violation of FL law.

Statutory / Legal Reference: Fla. Stat. Ch. 617 (Not For Profit Corporation Act); Fla. Stat. Ch. 720 (Homeowners' Association Act)

Statutory Comparison: Under Fla. Stat. Ch. 617 (Not For Profit Corporation Act); Fla. Stat. Ch. 720 (Homeowners' Association Act), associations may not strip member voting rights (prohibited outright in TX, CA, and NJ elections, and subject to strict statutory delinquency floors and prior written notice/hearing in FL, GA, and other states), and may never condition statutory records inspection or meeting notices on assessment "Good Standing."

CURRENT WORDING IN DOCUMENT:

Dues Assessments and Members in Good Standing The members of the Corporation shall pay annual membership dues as necessary to provide funds adequate to achieve the Corporation's purpose in such amounts as necessary to meet the budget approved by the * membership at the annual membership meeting. In addition to the annual membership dues, the Board of Directors may assess the members of the Corporation on an annual basis or a special basis, as necessary, to acquire funds that may become necessary of the provision of extraordinary servi

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section IV to preserve member voting rights, meeting notices, and records inspection rights in compliance with Fla. Stat. Ch. 617 (Not For Profit Corporation Act); Fla. Stat. Ch. 720 (Homeowners' Association Act).