

At the first annual meeting of members and at each annual meeting thereafter, members of the Board of Directors shall be elected by the members of the corporation for an annual term. MARKUP #1 ->

Section 7 - Annual Report. The Board of Directors, after the close of the fiscal year, shall submit to the members a report as to the condition of the Association and its property and shall submit also an account of the financial transactions of the past year.

Section 8 - Vacancies in Board. Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power, by a majority vote, to select a member of the Club Association to serve the unexpired term of the vacancy.

Section 9 - Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 10 - Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 11 - Powers and Duties of the Board of Directors.

A. Powers. The Board of Directors shall have the power to:

(1) Adopt and publish rules and regulations governing the use of the common area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

(2) Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.

(3) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

(4) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

(5) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Sec. 10 (p. 5): Governing document purports to authorize the Board of Directors to take official Board action outside of a noticed meeting by written consent signed by the directors, conflicting with the open-meeting sunshine mandate of Fla. Stat. § 720.303(2)(a)-(b).

**Statutory / Legal Reference: Fla. Stat. § 720.303(2)(a)-(b)**  
Statutory Comparison: While general nonprofit corporations under Fla. Stat. § 617.0821 may act by unanimous written consent unless prohibited, Fla. Stat. § 720.303(2)(a)-(b) overrides general corporate law for Florida community associations by requiring that all Board meetings be open to all members with at least 48 hours' posted notice and owner right to speak on all agenda items. Taking formal Board action by written consent in the absence of a noticed meeting deprives owners of their statutory right to attend and speak prior to Board votes.

**CURRENT WORDING IN DOCUMENT:**  
Action Taken Without a Meeting. \* The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

**SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):**  
Notwithstanding Fla. Stat. § 617.0821, pursuant to Fla. Stat. § 720.303(2)(a)-(b), all official actions and votes of the Board of Directors (other than emergency actions authorized by statute) shall be taken only at a duly noticed meeting of the Board open to all Members at which Members have the right to attend and speak on designated agenda items.

ISSUE #1