

# **LAKE FOREST RESORT & CLUB CONDOMINIUM ASSOCIATION**



## **RULES AND REGULATIONS BOARD OF DIRECTORS POLICIES**

**(Effective 9.16.16)**

**LAKE FOREST RESORT  
BOARD OF DIRECTORS POLICIES**

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**SECTION I - BOARD OF DIRECTORS' POLICIES (other board policies are referred to in the Condominium Documents and By-Laws)**

**A. BOARD OF DIRECTORS' EXPENSES**

1. The Lake Forest Board of Directors and appointed committees shall be reimbursed for actual costs associated with performing tasks required for the overall benefit of the resort. Such costs to include:
  - a. Telephone charges
  - b. Office expenses and supplies
  - c. Postage
  - d. Mileage at current rate allowed by the IRS or as determined by the Board of directors
  - e. Food and reasonable accommodations
    - 1) Receipts are required for all expenses except food.
    - 2) Maximum allowable for food per day is \$37.00 including tax & tip.
2. Lodging to be limited to one night for a one-day meeting except if travel exceeds 150 miles in one direction, two nights will be allowed. Committee meetings or two-day meetings will extend the allowable costs. All board members are to pay the rental rate in effect at the time for any board or committee meetings, except during the maintenance period when the fee will be waived.
3. Return mileage from the annual meeting will be paid for newly elected board members.
4. Individual member expenses will be submitted and approved at regularly assembled board of director's meetings. Receipts, except for food, must accompany all claims for expenses.

**B. BOARD OF DIRECTORS' RESPONSIBILITIES/TERMS OF OFFICE**

1. The Lake Forest Board of Directors will adhere to Article III of the Lake Forest Resort & Club Condominium Association By-Laws, which refer to position duties and to the board job descriptions.
2. Lake Forest Directors will not sell a product or service to the association or in any way conduct one's self as to be construed as a conflict of interest.
3. After six consecutive years in office a board member is not eligible to run for three years.

**C. LAKE FOREST HOMEOWNERS' ASSOCIATION INVESTMENTS**

The president, treasurer and resort manager of the association are authorized to invest the accounts of the association in federally insured interest bearing accounts for purposes of obtaining a maximum return on said asset accounts while preserving the association's accessibility to said accounts.

**D. STANDING COMMITTEES**

The president, following the yearly owner's annual meeting, appoints all standing committees. These standing committees must report at the annual meeting, or before, to the board of directors, in everything referred to it during the year. All board members are welcome to attend any committee meeting. The president and manager are ex-officio members of all committees. The

president will not assign family members to the same standing committee unless it is a committee that includes all board members. The standing committees and their duties are as follows:

1. Asset Reserve Replacement Committee
  - a. The committee will consist of at least two board members appointed on a yearly basis, one of which will serve as chair, and other homeowner(s) if appropriate.
  - b. The committee will review and recommend to the board of directors, on a yearly basis, estimated costs and supporting evidence for the renovation and maintenance projects for each calendar year. These reports should be submitted at the spring and fall meetings for board consideration.
  - c. The committee will review yearly the purchasing policies of Lake Forest Resort & Club relative to service contracts and reoccurring supply purchases.
  - d. Proposals will be considered for all items in excess of \$2500. Bids for reoccurring services and/or supplies need to be put out for bid at least every three years if amount is over \$2500.
  - e. The committee has the authority to approve emergency maintenance costs in excess of \$2500 when needed, subject to board approval, at the next scheduled meeting. The manager has the authority to authorize unplanned expenses under \$2500.
2. Finance and Maintenance Fee Collection Committee
  - a. The committee will consist of the treasurer, who will serve as chairperson, and one other board member.
  - b. The committee will review the annual budget, asset fund balances, investments, association's financial reports and check registers and suggest to the board of directors procedures for an annual audit.
  - c. The committee will report to the board of directors any deviation from the approved annual budget with recommendations for board action.
  - d. The committee will review the maintenance fee collection policy and maintenance fee receivables.
3. Personnel and Policy Committee.
  - a. The committee will consist of two board members.
  - b. The committee will review the personnel needs manuals, the Homeowner and Board Manuals, Employee Policy Manual, and report any additional personnel and policy changes at the fall board of directors' meeting.
  - c. The committee will prepare an evaluation report of the resort manager.
4. Taxation, Insurance and Legislation Committee
  - a. Regular committee of one appointed by president or resort manager may fulfill these obligations.
  - b. The committee will review and make recommendations to the full board regarding taxes and legislation.
5. Special Committees
  - a. Special committees are appointed for special purposes and are the prerogative of the president.
  - b. Special committees are for a limited time only.
6. Negotiator
  - a. The negotiator shall be appointed each year by the president.
  - b. The negotiator has limited power in negotiations with Treehouse Village or LFRA for the Recreation Membership Agreement or where payout of funds is required, and must go back to the full board for final approval.

7. Fiscal Impact of Committees

It shall be the responsibility of the treasurer and finance committee to develop a budget for any committee, named by the president for the ensuing year, so that funds are set aside for necessary expenses.

E. FISCAL AGREEMENTS AND CONTRACTS

1. Agreements with Lake Forest Recreation Area for recreation membership services are to be negotiated on a yearly basis by the negotiator on behalf of the board of directors on or before October 15.
2. Agreements with Treehouse Village for shared services are to be negotiated in the year prior to expiration, by the negotiator, on behalf of the board of directors on or before October 15.
3. Trading company contracts are to be reviewed in the year prior to contract renewal by the president and resort manager.
4. All agreements and contracts:
  - a. For each year are to be signed and accepted by both parties by December 1 of the preceding year.
  - b. Contracts with Lake Forest Recreation Area, Treehouse Village and any trading companies are to be signed by our president and an authorized representative of the other party with the original kept on file in the office.

F. GENERAL PROXY & PROXY BALLOT VOTES BEFORE THE ANNUAL MEETING

The board of director's votes the maintenance period weeks and any other weeks owned by the association for board nominees. As part of the business of the board meeting prior to the annual meeting the following procedure will be used:

1. Each board member votes in writing. The total number of available votes will be divided equally among board members and given to each of the candidates a board member chooses. The president votes equally, plus votes any odd number of remaining weeks.
2. The board of directors also votes these weeks to establish a quorum. A quorum now becomes 312 weeks or 1/4 of the 1,248 weeks at Lake Forest (24 units x 52 weeks).
3. They do not use these weeks to conduct business at the annual meeting. Only general proxy votes returned by mail and votes by owners in attendance at the meeting will be counted to conduct the business of the association.
4. General proxies and proxy ballots for directors will be kept for one year and then will be destroyed.

G. MEETINGS OF THE BOARD OF DIRECTORS

1. A printed or electronic notice including the time and place and purpose of the meeting is to be furnished to each board member at least three days prior to the day named for each meeting. The notice will be posted on the resort lobby bulletin board three days prior to any meeting.

2. Special meetings of the board of directors may be called by any two board members, on three day's notice, following the procedure for regular meetings.
3. The first meeting of the elected board of directors shall be held directly after the annual meeting for the purpose of electing the officers of the board of directors and appointing committees.
4. All meetings of the board of directors shall be open meetings with the exception of personnel, contracts and other provisions as allowed for under Wisconsin Statutes pertaining to closed session. Following any closed session the board of directors shall reconvene into open session, noting any action taken during the closed session, and these actions shall also be noted in the minutes of the meeting.
5. Minutes of board and annual owners meetings are to be kept on file at the resort with a back-up copy kept by the board secretary. Included with the minutes are all documents pertaining to action items of the meeting.

#### H. ANNUAL CALL TO MEETING NOTICE

This notice must be sent by first class mail to all owners a minimum of fifteen (15) days prior to the annual meeting even though by-laws only require 10 days notice.

#### I. ANNUAL MEETING AGENDA

##### AGENDA FOR THE ANNUAL MEETING OF LAKE FOREST RESORT & CLUB CONDOMINIUM ASSOCIATION

- I. CALL TO ORDER
- II. SECRETARY'S REPORT
- III. PRESIDENT'S REPORT
- IV. ELECTION OF DIRECTORS
- V. RESORT MANAGER'S REPORT
- VI. TREASURER'S REPORT
- VII. UNFINISHED BUSINESS
  - A. Standing Committee Reports
    1. Asset Reserve Replacement
    2. Personnel, Policy and Maintenance Fee Collection
    3. Insurance
    4. Taxation and Legislation
  - B. Special Committee Reports
  - C. Other Old Business
- VIII. NEW BUSINESS
  - A. Adopt next year's operating budget and asset reserve plan
  - B. ANY AND ALL OTHER ASSOCIATION BUSINESS WHICH MAY BE PROPERLY BROUGHT BEFORE THE ASSOCIATION
- IX. ADJOURNMENT

Handouts of agendas, budget for upcoming year, and minutes from the preceding year's annual meeting will be made available at the annual meeting.

#### J. ANNUAL MEETING PROCEDURES

##### I. CALL TO ORDER-PRESIDENT

*"(Name of person)" will act as parliamentarian. In order that we may proceed with the agenda, the following procedures will be followed unless there are some objections.*

- *Each person shall identify himself/herself at the microphone and is to be recognized by the chair.*
- *No owner shall speak to any issue more than once until all who wish to speak have the opportunity to do so.*
- *No owner may speak more than twice on any issue.*
- *Debate in any issue will be limited to three (3) minutes per unit owner."*

II. SECRETARY'S REPORT

The secretary will say, *"We will dispense with the reading of the minutes unless I hear an objection. Are there any additions or corrections to the minutes of the last annual meeting?"* Secretary will read any correspondence addressed to be read at annual meeting. If none say, *"There was no correspondence."*

III. PRESIDENT'S REPORT

IV. ELECTION OF DIRECTORS

*"At this time, I would like to introduce the candidates who have filed for election to the Lake Forest Board of Directors."* Read names of candidates and request that they stand as their names are read. Repeat three times, *"Are there any nominations from the floor?"*

If there are none, the president will entertain a motion to cast a unanimous ballot for the number of candidates (only if number of candidates equals the number of vacancies).

V. RESORT MANAGER'S REPORT

*"(Name of resort manager) will give the management report for (current year) and outline plans for (next year)."*

VI. TREASURER'S REPORT

*"(Name of treasurer) will give the (current year) financial report."* Next years report will be addressed under new business.

VII. UNFINISHED BUSINESS

- A. Standing Committee Reports
  - 1. Asset Control & Replacement
  - 2. Personnel, Policy and Maintenance Fee Collection
  - 3. Insurance
  - 4. Taxation and Legislation
- B. Special Committee Reports
- C. Other Old Business

VIII. NEW BUSINESS

- A. Adopt next year's operating budget.

The president will call for a motion to adopt the next year's budget. After a second is obtained, the president introduces the treasurer and asks him to explain the

budget. Then the treasurer shall open up the proposed budget for questions. Following the discussion the president will call for a vote for the adoption of the proposed budget.

B. ANY AND ALL OTHER ASSOCIATION BUSINESS WHICH MAY BE PROPERLY BROUGHT BEFORE THE ASSOCIATION

*"At this time, we shall hear from you, the homeowners. (Note: It is my intention, if you request special committees, we will defer that to the next year's president and board of directors.) I shall also follow this same pattern relative to other issues or complex questions that cannot be answered quickly. I shall inform you that a written response to the homeowners will be sent by the board or published in the newsletter, so that everyone receives the same information on any complex issue."*

*"Now I would like to seek a resolution thanking (name of board member<sup>s</sup>) for (his/her)(year<sup>s</sup>) of service and time spent on behalf of the association as a member and officer of the Lake Forest Board of Directors."*

IX. ADJOURNMENT

**SECTION II - BOARD OF DIRECTORS' JOB DESCRIPTIONS**

PRESIDENT

- Preside over board and annual meetings according to 'Robert's Rules of Order' or basic parliamentary procedures
- May approve board expenses
- Write president's report for newsletters and annual call to meeting
- Attend committee meetings as needed. The president is automatically a member of any and all committees
- May not chair a committee
- May not vote except to break a tie
- Authorize emergency expenses over \$2,500 with one other board officer or asset committee chair
- Set board meeting dates
- Appoint committee chairs for each year
- Let negotiator know the desires of the board regarding the LFRC Recreation Membership contract membership, and Treehouse Village contracts
- Appoint negotiator for the year
- Set allowable expenses for board members
- Sign documents for the association, as approved by board
- Provide advisory and accountability for resort management and staff
- Attend all board and annual meetings

VICE PRESIDENT

- Assume duties of president in president's absence
- Attend all board and annual meetings
- Vote on all board matters
- Be the vote counter, organizer, and presenter at board and annual meetings, to be assisted by a non-conflicted board member.



## TREASURER

- The treasurer shall have the overall responsibility for association funds and investments
- The treasurer shall be responsible for monitoring of the receipts and disbursement accounts and financial records of the association
- Review regularly monies deposited and other valuable effects in the name and to the credit of the association
- Be sure to see that the board receives regular accounting with respect to all financial matters of the association
- May approve board expenses
- May sign checks
- Review financial statements and transaction journals monthly and approve
- Chair financial committee meeting
- Help prepare year budget
- Give committee report at board and annual meetings
- Review investments to insure they are invested in low risk, easy access accounts that yield as high of interest rates as possible
- Authorize emergency expenses over \$2,500 with one other board officer or asset committee chair
- Review asset account expenses and account balance
- Attend all board and annual meetings
- Vote on all board matters
- Present budget at annual meeting for approval and asset plan

## SECRETARY

- Attend and take the minutes of all meetings of the board and association. These minutes are sent to the resort manager who will forward to proper recipients. In the absence of the secretary the board president will assign a person to take minutes, if required.
- Keep a permanent folder of all minutes and correspondence
- Read correspondence at board and annual meetings and respond to it.
- Present minutes from prior meeting at board and annual meetings
- Vote on all board matters

## MEMBERS-AT-LARGE

- May be appointed to be on a committee
- Attend all board and annual meetings
- Vote on all board matters

## ASSET RESERVE REPLACEMENT CHAIRPERSON

- Write report for owners for Woodwinds newsletter and The Annual Call to Meeting
- Chair replacement committee meetings that plan future replacement and oversee current year
- Authorize emergency expenses over \$2,500 with one other board officer or asset committee chair
- Report to the board and owners at association meeting the status of concerns for current year and future years replacement

## PERSONNEL, POLICY & MAINTENANCE FEE COLLECTION CHAIRPERSON

- Present payroll and benefit package for following year at fall meeting to the board
- Summarize the resort manager and other employee reviews and concerns to board at fall meeting
- Chair Personnel, Policy & Maintenance Fee Collection committee meeting
- Approve final selection of full-time employees
- Approve discharge of full-time employees
- Be available to resort manager to discuss and help resolve employee concerns throughout the year
- Review and update the policy manuals yearly

## NEGOTIATOR

- Negotiate the LFRA Recreation Membership contract and Treehouse Village contract, which starts January 1<sup>st</sup> of each year
- See that the contracts from prior year are being honored
- Follow the desires of the board in negotiations
- The negotiator has limited power when negotiating with Treehouse Village to act on the board's behalf
- The negotiator has limited power regarding recreation membership or where payout of funds is required, and must go back to the full board for final approval

## SECTION III - BOARD MEMBERS' GOALS AND RESPONSIBILITIES

Vision: To maintain the quality of our resort in a fiscally responsible manner for now and into the future.

### Responsibilities to owners

1. Carry out the vision
2. Set policy for the manager
3. Contribute individual knowledge and experience
4. Be involved
5. Attend meetings as directed by the president
6. Be on time
7. Be prepared before actual board meetings
8. Listen to the owners (surveys etc.)
9. Report to the owners
10. Aggressively enforce regulations for the benefit of the entire resort

### Responsibilities to the manager

1. Provide guidance, direction, and support to the manager
2. Establish and carry out policy
3. Communicate effectively with the manager
4. Require management accountability
5. Approve and be responsible for the annual budget
6. Provide assistance in obtaining professional support services

### Relationship to employees other than the manager

1. Individual board members must not give directive to employees
2. Any employee problems must be directed back to the manager as a starting point
3. Board members other than in committee are not to become involved in employee management in any way

### Relationship of Board Members to Board Members

1. Be honest and respectful of each other
2. Speak your mind appropriately
3. Communicate - speak and listen

4. Be prepared: Not being prepared wastes everybody's time
5. Give proper guidance to new board members
6. Attend all meetings if at all possible
7. End of year - brainstorm any and all problems before the annual meeting

Responsibility of Retired Board Members

1. Ex-board members are resort owners and no more
2. Any problems must be directed to the resort manager or to the appropriate committee chairperson

Each new board member will be given the following documents:

1. Current and next year budget, asset replacement schedule and long range plan.
2. Employee, Board and Homeowner/Guest Policy Manuals
3. The following governing documents:
  - a. Condominium Documents
  - b. Timeshare Act 707 and Condominium Act 703
4. Copy of Director and Officer Liability coverage
5. Minutes from current year
6. Allowable expenses sheet

**SECTION IV - POLICY REVISION APPROVAL**

- A. Policy revisions are done annually by the Personnel, Policy and Maintenance Fees Collection Committee at its fall meeting and acted upon by the board at its fall meeting. All proposed changes are to be given to board members in writing prior to the fall board meeting.
- B. The policies and procedures in this document are approved, to go into effect January 1, 2011.

SIGNED:

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President

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Secretary

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Date