To: Saddlebag Creek Homeowners’ Association property owners September 9, 2016

From: Jack Duich, SCHA Board Director & Vice President

Subject: Board of Directors turnover and path forward

Dear fellow property owner,

The purpose of this letter is to inform you of actions related to your elected board of directors that occurred on the evening of September 8, 2016, during a scheduled BOD meeting, and of an anticipated path forward as a result of those actions.

During the above referenced meeting, 3 of the 5 board members, elected in March of this year, tendered their resignations, effective immediately. These were David Cohen, Director and an appointed officer (President of the Association & Treasurer), Mike Dobbs, Director and an appointed officer (Secretary), and Ronnie Edwards, Director.

Additionally, Jerry Hall, Director, is within 10 days of closing on the sale of his home, effectively shortly ending his tenure as an elected board member. That leaves me as your sole remaining board member.

We all owe these 4 gentlemen our appreciation for their involvement and investment of personal time in supporting the best interest of our property owners during their recent and historical lengthy service as board members. They remain our neighbors and my friends, and have offered me continuing counsel as I may request.

Firstly, let me assure you that the fundamental structure and fiscal health of the association remains solid. As an appointed officer, I retain signatory authority for all association business related to day to day administrative activities, such as reviewing invoices, paying bills, and interfacing with our external supporting contractors and agencies. I have been introduced to our recently hired association attorney, whose specialty is HOA & condominium law, our long serving accounting firm, and have been managing our relationship with our lawn service provider. Per counsel with the departing board members and these service providers, I remain the sole authorized interface with these functions.

That said, lacking a quorum of a minimum of 3 directors, I am not authorized to make decisions regarding new or existing owner construction, improvement projects, variances, engage in litigation decisions, or subject the association to financial or other liabilities beyond those previously approved by the prior board. My role, for the time being, is purely administrative.

Clearly, it is in the best interest of the association that this situation be remedied soon.

To establish a quorum, there are two possible paths forward, determination of which is pending feedback from our attorney:

1. I appoint 2-3 interim directors willing to serve until our general meeting and director election no later than end March 2017. My term will end next March which is 1 year from when the former board and I were elected. A new board would be formed at that time.
2. We hold an extraordinary election of up to 4 new board members prior to March, possibly as early end October / early November. I would retain my role until an additional election in March, unless my term is extended as a result of the early election.

From a practical and cost perspective, I prefer the first option as it allows us to most quickly resume normal board business. If our attorney supports this approach, and barring significant opposition from our association membership, this is the path I intend to pursue.

Regardless of the path taken, I request individuals interested in serving on our board contact me to express their willingness to serve the needs of the association.

Further, as I remain employed and have, unfortunately, a somewhat arduous business travel schedule, I need administrative help.

This volunteer administrative help would involve retrieving mail from our Myakka City PO box, responding to and/or creating correspondences under board direction, compiling invoices for payment, taking and publishing BOD meeting minutes, keeping records / filing, and other administrative tasks as needed. I anticipate a commitment of 10 hours per month of personal time, maximum, which would greatly assist board business.

Accordingly, I would appreciate hearing from a volunteer willing to assume this role, without the obligation of having to serve as a board member, though this role is not exclusionary to becoming a board member.

Thank you for taking the time to read this letter and your continued support.

Sincerely,

Jack Duich

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