



Special Meeting Board of Directors Minutes

October 2, 2014

Members Present: John Highhouse (president), Rich Paul (vice president), Allen Alchian (secretary), Penny Dyer (assistant treasurer and common areas), Dave Compton (director), Patricia Wasson (executive director)

Members Absent: Jason Aguilar (director)

Guests: Stephanie Waltman, Paul Young, Dan Snelling

Meeting was called to order at 5:03 PM.

1. Board president John Highhouse called the meeting to order. He explained the purpose of this special meeting was to address a concern raised by a Board candidate about the conduct of the current director election. Because of the purpose of this meeting, a personal invitation to attend this meeting had been sent to each of the five Board candidates; three of the five were present at the meeting.
2. Highhouse read an email received earlier this week addressed to all King's Deer Board members. The email was from Joseph Carlson, one of five candidates for the King's Deer Board of Directors. In the email Mr. Carlson cited the following discrepancies in the election procedures:
 - a. He had not been contacted to verify he accepted his nomination as a candidate.
 - b. He had not been contacted to submit information about himself in the ballot mailing.
 - c. Information he submitted by email to the HOA office had not been included in the ballot mailing.
 - d. No list of Board candidates appeared on the King's Deer web site before the ballots were mailed.
3. Highhouse explained that the procedures which the Board follow are documented and followed, beginning with events in May, and culminating with ballot counting in late October. Board Secretary, Allen Alchian, is responsible for the conduct of the director election. Highhouse asked Alchian provide a quick historical overview of why the election is conducted the way it is now, and provide a summary of the main steps in this election.
4. After giving the background and general process of the director election, Alchian addressed the circumstances and details of Mr. Carlson's four points.
 - a. *No Contact to Accept Nomination.* Mr. Carlson nominated himself as a director candidate so it was assumed he accepted his nomination.
 - b. *No Request to Submit Personal Information.* King's Deer Office Manager, Patricia Wasson sent Mr. Carlson an email on September 3, 2014—the morning of the next day after she received his email nominating himself—inviting him to send a paragraph of information about himself to include in the ballot mailing. A printed copy of that email was available for the Board to review. It is conceivable that Mr. Carlson might not have received that email, but an email was sent to him.
 - c. *Personal Information Missing From Ballot Mailing.* There is no question that no information about Mr. Carlson was included in the ballot mailing. Alchian reviewed the timeline of events that occur after the nomination period ended at the close of business on Tuesday, September 2 and before the ballots are mailed on Wednesday, September 17. The Board noted that the September 3 email sent to Mr. Carlson requesting his input for the ballot mailing did not include a deadline by which his information was needed to be included in the ballot mailing. By Friday, September 12 nothing had been received from Mr. Carlson. The materials for the ballot mailing were then printed so the ballot packages could be prepared for mailing as scheduled, on Wednesday, September 17. Mr. Carlson sent his personal information by email to the HOA office on the evening of Sunday, September 14. The ballots were mailed on September 17 without directors knowing of Mr. Carlson's September 14 email.

- d. *List of Nominees Not Posted on the Website.* The Board acknowledged that the names of nominees had not been posted on the King's Deer website.
5. Directors agreed that the email request sent to Mr. Carlson for information to be included in the ballot mailing should have included a deadline. It did not and may have contributed to his reply not being sent until September 14. Directors acknowledged that not providing his statement in the ballot mailing may place him at some disadvantage against the three candidates who did submit statements, but he is on an equal footing with one other candidate who did not submit information for the ballot mailing.
 6. The directors acknowledged that candidate names had not been posted on the King's Deer website, contrary to the protocol described in the August 4, 2014 *Call for Nominations* letter. The directors concluded, however, that the effect of this omission was uniform for all candidates and therefore does not place one candidate at a disadvantage over another.
 7. After extensive discussion, Alchian made a motion for the Board to continue the present election. The motion was seconded. In discussing the motion, the directors acknowledged that the situation for Mr. Carlson is unfortunate, but it does not negate the possibility of his being elected to the Board. Furthermore, to terminate the election and restart the election process the impact to the HOA overall would be costly; it could very possibly lead to confusion among the membership, and confusion could result in less voter participation meaning a subsequent election risks being invalid for lack of a quorum of participating members; and a repeat election would shorten the term of office for the elected directors once the election is finalized. The directors unanimously approved the motion to continue the present election.

The Board meeting ended at 4:57 PM.

Minutes approved unanimously on October 4, 2014.

/ signed /

John Highhouse, President

/ signed /

Allen Alchian, Secretary