

Agenda Item Read Ahead
2 November 2023
for 16 November 2023

Proposed agenda item to be presented by Wade Barfield at the 16 November 2023 meeting. This item is presented because action is necessary to prepare for elections that must be held in the first quarter of 2024.

Motion Title: The Association hereby adopts the Elections Committee Mission and Procedures dated 30 October 2023 (see attached) as the governing procedures to be used in the conduct of future elections of High Lonesome Ranch Estates Property Owners Association replacing in their entirety any previous Elections Committee Mission and Procedures documents.

Discussion / Background

The draft procedures of 5 August 2023 presented at the 17 August 2023 meeting of the Board of Directors were submitted to the directors as well as the membership for comment and suggestion. Two comments were received: one in support of the draft procedures as written and one which noted a conflict between the draft Election Committee Procedures and state law regarding notification timelines. The draft Election Committee Procedures have been corrected to align with the timeline established by state law.

Subsequently, a fellow director has submitted a competing set of election procedures. As much of the instructions submitted and subsequently revised by that director as possible have been incorporated into the revised draft dated 30 October 2023 (attached).

Our governing documents require we hold an annual election of directors during the annual membership meeting. Our governing documents require the annual membership meeting be held in the first quarter of each calendar year.

The timeline for conducting an annual election begins ninety (90) days prior to the scheduled date of the Association's annual meeting. Even should the annual meeting be scheduled for late March, the Secretary/Election Committee Chairperson must begin preparation not later than December 2023.

High Lonesome Ranch Estates Property Owners' Association

ELECTIONS *INSTRUCTIONS* AND PROCEDURES

DRAFT

DRAFT

As of 30 October 2023

Fellow Directors: I have incorporated as much as possible of Ms McFarland's "instructions" into the procedures originally submitted so that we can moved beyond considering two competing submissions and work towards consensus on a single set of approved procedures. Changes are in italic text; red text indicates incorporation of Ms McFarland's election procedures.

1. OVERVIEW: *Elections will be run in a manner that is fair, accessible, transparent, and accountable. Elections will be conducted and supervised by the Board of Directors in combination with appointed election committee members and third-party organizations when approved by the board of directors. **Electronic balloting will be used to the maximum extent possible** but all members have the right to receive paper ballots and vote by absentee ballot or in person. The owner of each lot will be entitled to one ballot for each lot owned. Cumulative voting is not allowed. There will be no weighted voting. **Ballots will be secret.** The goal of the election process is to encourage maximum participation and count as many votes as possible. **These procedures will be followed for annual and special elections.***

2. MISSION:

A. The Elections Committee (EC) *will administer the elections on behalf of the Board of Directors* using procedures approved by the Board of Director. The EC will consist of the Secretary, who is the Chairperson, and *two* to four *directors* or members of the Association. *EC members must be in good standing with the Association. To protect member privacy, contact information will be safeguarded and all involved individuals will sign a confidentiality affidavit statement.*

B. *The Association may engage a third party to provide a neutral buffer in the counting and tabulating of votes, save on cost, and reduce the burden on the directors. Third parties may be involved in **creating ballots**, electronic balloting, mailing of election materials, and counting of ballots (electronic and paper).*

C. Nomination and voting policies and procedures are governed by Arizona Revised Statute (ARS) 33-1803, ARS 33- 1804, ARS 33-1812, ARS 10-806, ARS 10-3708; the Association's Declaration of Conditions, Covenants, Restrictions, and Easements; and the Association's Bylaws.

2. PROCEDURES

A. Annual Meeting and Election of Board Members: The annual election of directors by the membership will be held in conjunction with the Association's annual membership meeting. The annual meeting will comply with ARS 33-1804. In accordance with ARS 10-806, as our Bylaws specify staggered terms of three years, the annual election will at a minimum seat one-third of the

association's directors. To the fullest extent possible results of the election will be announced by the presiding officer prior to the close of the meeting. Notification of meetings of the members, annual or special, shall also comply with ARS 33-1804.

B. Election Timeline: *Will follow statutory requirements.* See Attachment 1.

C. Notice of the Meeting. The Association will mail a notice of the Annual or special election/meeting IAW ARS 33-1804. *The Association may use a commercial vendor to mail the notice. The notice will encourage nominations of members to run for election to serve on the board.*

D. Nominations: *See Section 5. 1 of the Bylaws.* Members in good standing are encouraged to serve on the board of directors. Members interested in serving on the board of directors must be prepared to discharge their duties in accordance with (IAW) the standards of conduct for directors as defined by ARS 10-830. ~~Members interested in being candidates should notify the board of directors and submit a brief statement about why they would like to serve on the board. Solicitation for Nominations will close at a date to be specified prior to the annual meeting or special election. No nominations may be made from the floor at the annual meeting or special election.~~

E. Verification of Mailing and Email Addresses: Notice of the Annual or Special meeting shall be mailed to the member's mailing address as specified in Bylaws, Article XVI Notice. To ensure fairness to all members, the notice shall include a question on whether the member wants to vote electronically or by paper ballot. The owner shall respond to this request by updating their email or mailing address and signing below their request. Request may be returned by mail or scan or picture by email. Request not returned will result in paper ballots being mailed to the last official mailing address in Association files. The Secretary, charged with maintaining and validating addresses (mail and email), may use these member responses as proof of updated contact information and voter identity. *The secretary will maintain a list of validated email address at all times. (this really isn't part of "election procedure" and is more a description of one of the secretary's normal duties)*

F. Members in Good Standing: Prior to an election, the Treasurer and Secretary will prepare a consolidated roster of members who may not be in good standing and therefore may not be eligible to vote. Members voting rights shall not be suspended until they have been notified and offered a hearing under Article X of the Association's Bylaws. The Secretary will consolidate and provide the roster of members whose voting rights have been suspended for use during ballot counting.

G. Ballot Material: Electronic and paper ballot material will be identical as much as possible. *Ballots may be produced and printed from the online voting software.* Balloting will open and close at the same date/ time for both electronic and absentee voting. Ballots must comply with ARS 33-1812 and ARS 10-3708. All efforts will be made to distribute ballots and ballot materials as early as possible but no later than required by ARS 33-1812.

H. Third Party Electronic Voting: While using a third party may be advantageous, to the maximum extent possible the Board of Directors will ensure:

1. Any third-party election system will be tested to ensure compliance with ARS 10-3708 and HLR Election Procedures prior to final approval for use by the board of directors.
2. Once established, access to the third-party voter database and the settings used for HLR

elections will be limited to designated directors only. Access will be controlled by a two-person rule with any change in settings validated by both directors.

3. The highest security and integrity parameters available in the electronic voting system will be adopted when selecting from the options available.

4. Once the election goes live, the status of the electronic election count will NOT be available for review until electronic absentee balloting closes.

5. Any transfer of votes from paper ballot into the electronic system will generate a verification transmitted to the member that the vote was not altered and also provide a receipt of the electronic vote that allows the member to verify his vote was tabulated as cast. (IAW ARS 10-3708) Notification will be by email.

6. Members will be allowed to use their ballot confirmation code to track the status of their ballot during and after the election process.

I. Voting methods:

1. Members may vote by electronic or paper ballots but not both.

2. Upon notification of an election, members will reply to the Association identifying the method of voting they prefer. This reply will be in writing with their signature and include an updated email and mailing address. This reply may be by mail or by email with pdf or photo attachment.

3. Members who do not receive their ballot by their preferred method in a timely manner should contact the HLR Board of Directors (admin@hlrpoa.com).

4. Members who change their mind on their voting method must contact the HLR Board of Directors.

5. Per ARS 10-3708 once a written ballot has been submitted it shall not be revoked.

6. Since there are many uncertainties with the US Postal system, acknowledgment of receipt of paper ballots will be sent to the member at the email address provided within 24 hours of receipt. This notification may come in the form of an authentication or receipt email from the third-party vendor.

J. Members Running for Election: Members whose names will appear on the ballot will not be involved in the election process and will not have access to electronic or paper ballots cast by the membership once the election process begins.

K. Custodian of Ballots: If ballots are mailed back to the Association's PO Box address, a Custodian of the Ballot Box will be designated. The custodian of the ballot box will receive all mail-in ballots and retain them in a secure ballot box (for which they do not have the key) to assure no alteration to or tampering with ballot envelopes. In addition, the Board of Directors may approve hand delivered absentee ballot be dropped off and stored in the secure ballot box until the annual or special meeting. *The Board may approve a third party to serve as the Custodian of Ballots and charge them with transcribing a member's vote into the electronic system.*

L. EC Chairperson duties:

1. Will supervise the overall election process to include any third-party vendors.

2. Will download electronic voting results at the close of electronic balloting and bring those result in a sealed envelope to the annual/special meeting.

3. Will directly supervise all election activities during the annual/special meeting to include any onsite ballot counting during the annual or special meeting.

4. Will annotate any reason why a specific ballot or envelope is marked as spoiled, whether

- determined by the third- party or during the in-person voting.
5. Will not be the presiding officer at an annual or special meeting.
 6. Will make every effort to resolve discrepancies and to count as many votes as possible assuring a fair, open, and honest election.

M. Voting at the Annual/Special Meeting: Property owners may turn in their paper ballots in person or cast their vote in person at the annual meeting. The EC will provide extra ballots, ballot envelopes, return envelopes, voting instructions, and nominee statements at the meeting for those choosing to vote in person by paper ballots. Before any paper ballot or in person voting is allowed, the EC will ensure the member has not already voted electronically or through a third-party mail in. Whether a member votes in person or by paper ballot which is converted to an electronic vote, authentication, and transmission of receipt IAW ARS 10-3708 will be provided to the voting member. The results of paper ballots will be compared with the electronic vote tally for all votes cast during the meeting. *In person voting at the meeting may be done through the use of a computer with access to the online voting software.*

N. Affidavit: “I swear that in the performance of my duties in the election process, to the best of my knowledge, no ballot has been discarded, destroyed, or otherwise tampered. I will not divulge any private member information and information learned as part of the election and ballot tallying process shall remain confidential and private.”

O. Post-Election Meeting: Prior to the end of the second quarter of the calendar year, the EC shall solicit *and consider member* input prior to reviewing the nominations and election procedures so they may make recommendations, if any, to the Board about updating election procedures. The Board shall discuss and vote upon adoption of such changes IAW ARS 33-1804 prior to the end of the third quarter of the calendar year for use in the upcoming election. Such changes shall result in the updating of this document.

P. Election Materials: All election materials, electronic and/or paper will be maintained IAW ARS 33-1805, ARS 33-1812 and ARS 33-1813.

Q. Election Committee Meetings: IAW ARS 33-1804 all business of the EC will be conducted in open meetings.

Attachment 1: Elections Timeline

Attachment 2: Example letters, ballots, election materials and other documents used as references in preparation and conduct of an election. They will be updated annually so they serve as an accurate ready reference for the EC Chair.