

**SNUG HARBOR OWNERS ASSOCIATION (SHPOA)**  
**BOARD OF GOVERNORS**  
**Hertford, North Carolina**

**Subject: Annual Election/Ballot Counting Procedure**

**Purpose:** The following Election/Ballot counting procedure will be adhered to, in accordance with the Covenants and By-Laws. See B8 for a sample Ballot Counting Sheet.

**Members entitled to vote:** In accordance with the By-Laws, Article IV, MEMBERSHIP, Section 1 as stated "Section 1. Members. The authorized membership of the Association shall consist of the Owners, as previously defined herein, of any lot in Snug Harbor Beach and such additions thereto as may hereinafter be brought within the jurisdiction of the Association". In accordance with Section 2 of the same article, Members in Good Standing are defined as "A member in good standing shall mean an Owner who shall be current with regard to any and all annual or special assessments or dues, not in violation of the Declaration or these Bylaws, and as such shall be entitled to all of the rights and privileges afforded herein. All members shall be issued membership cards to evidence their being in good standing and shall produce same upon request by any member of the Board or its duly appointed agent(s)".

**Candidates:** In accordance with Article VI of the By-Laws, Section 3, the following is the only acceptable means of becoming a candidate. "Written nominations for the Board of Governors shall be signed and delivered to the Secretary not later than forty-five (45) days prior to the annual meeting, the persons being nominated having given their prior consent to such nomination. Additional nominations shall be accepted from the floor at the annual meeting and shall be accorded the right to a write-in candidate for voting purposes in the election. (Floor nominations run the risk of being outweighed by any mail-in ballots)".

**Number of Governors to be elected:** In accordance with Article VI of the By-Laws, Section 3, the following is quoted "For each annual meeting, only three (3) governors shall be elected for a three-year term to replace those governors who have a present expiring term. A governor may not be elected for more than two (2) consecutive terms".

**Method of voting , Determination of those Elected, and the Ballot Committee:** In accordance with Article VI of the By-Laws, Section 3, the following is quoted "Voting shall be by written ballot in person, by proxy or by mail ballot. All mail ballots must be received prior to the meeting. A voting quorum shall consist of those votes cast. The candidate or candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed elected. Determination shall be by Ballot Committee, which shall be an ad hoc committee of the Board of Governors consisting of the treasurer and three (3) members in good standing of the Association appointed to the Ballot Committee by the Board, which members may, but need not be, members of the Board of Governors. It is specifically provided that no person appearing on a ballot shall serve on the Ballot Committee. Such determination shall be conclusive on all parties. The Secretary shall notify the membership of such voting results by mail, the same as a notice of meeting". Further, the treasurer will submit to the Board prior to the annual meeting the names of those individuals asked to serve on such committee.

**Number of Votes Accorded to Each Property Owner:** In accordance with Article III of the Covenants, "Membership and Voting Rights, the following is quoted "Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. An Owner shall be entitled to one (1) vote per lot and Owners of multiple or fractional Lots shall have a number of votes equal to the number of Lots owned. PROVIDED, HOWEVER, the Owner of any Parcel granted reduced assessments in accordance with Article IV, Section 3( d) shall have only one (1) vote for the total lots which make up the Parcel and over which the septic system and field extend". Furthermore, since commencing with the Operating Fiscal year

of 2008, Reduced Assessments will no longer be offered, this voting year (November 2007) will be the last where Owners receive reduced numbers of votes due to receiving a Reduced Assessment.

**Procedure:**

**1. Treasurer:**

- a. Prior to the commencement of the Annual Meeting, shall prepare a listing of members in Good Standing as defined above. On such list shall appear the number of votes that each Property Owner receives. There will be two copies of this list.
- b. Will act as the chairperson of this committee, and resolve to the satisfaction of each Ballot Committee person any disputes.
- c. Shall ensure that the only writing instruments are those held by the recorder(s).
- d. Shall announce the names of additional candidates to the recorders in order for them to prepare their tally sheets.
- e) Shall instruct each recorder in the proper method of marking the tally sheet.
- f. Shall verify each ballot submitted is from a Property Owner in Good Standing when it is opened
- g. Shall use a Sharpie pen to:
  - i) *sequentially number the ballot* when opened.
  - ii) Staple the envelope to the ballot.
  - iii) Verify that the Ballot is signed. Should the signature be illegible, then the return address of the envelope is to be used to determine the name and then it shall be written in Sharpie across the top of the Ballot. If the ballot is not signed the ballot is considered to be VOID and shall be marked as such after one other committee person verifies this fact. These ballots will be placed to the side.
  - iv) Verify number of votes each Owner is to receive and mark in the upper right-hand corner.

The treasurer will then announce the names of the individuals voted for on that ballot and then pass the ballot to the first committee person.

**2. Committee Persons:**

- a. Two of the three committee persons shall act as vote monitors reviewing each ballot as it is passed from the treasurer. The third will act as one of two recorders to ensure an accurate count is held.
- b. The two committee persons acting as Ballot Verification, shall, as each ballot is passed from the Treasurer:
  - i) note the name of the owner, the number of votes that owner receives,
  - ii) Shall verify the names of the individuals voted for on that ballot and state that they either "CONCUR" or do not "CONCUR with what the Treasurer announced. They then shall pass the ballot to the next person. Should there be a declaration of Non-Concurrence, the Ballot will be reviewed by all persons present to determine the nature of the non-concurrence and shall resolve the issue by majority vote of those present.
  - iii) After each has verified the ballot, the ballot will be placed in a pile representing counted ballots, and shall remain there until the count is done.

**3. The Two Recorders:**

- a. One of the two recorders will be from the Ballot Committee. The second may be the SHPOA Office employee. Should the Treasurer feel that there may be a conflict of interest for the Office Employee to serve in such capacity, the Treasurer will appoint a fourth member to the Ballot Committee specifically to serve as one of the two recorders
- b. Each Recorder will be provided with a preprinted tally sheet with the names of known candidates as printed on the official ballot. Other spaces will be provided for the recorders to write in names of those individuals who meet the requirements for official candidacy as outlined above. Each recorder will write in the names in the order as spoken by the Treasurer as stated above.

- c. After each ballot is verified, each recorder will then mark the tally sheet under the appropriate candidates name as follows:
  - d. They will use tick marks such as "I 1 I I" representing each vote. When each multiple of five is reached, the recorder will score through the previous four tick marks as follows "I+I-I", so that each section so appearing on the tally sheet represents five votes.
  - e. One of the two recorders will also mark the property owner's name of the master list showing that that owner has voted. Should the situation arise where an additional ballot is opened from the same owner, it shall be resolved as follows:
    - (1) Precedence of ballot: Unless clearly stated on either of the ballots that one supersedes the other, the ballot which will be deemed as the one to be counted shall be the one that came from the official mailing of the ballot via the newsletter, which will have the advertisement that appeared on the reverse of the ballot. Should the subject ballots received not have this advertisement, AND, more than one ballot is received from a property owner, then the ballot with the later date shall be counted and the other ballots received from this owner shall be considered as void and marked as such. Any ballots showing the same date will be considered as void and marked as such.
  - f. Shall upon the completion of the reading of all ballots tally up all votes received for each candidate marking the same in the box provided on the tally sheet. Should there be a discrepancy at the end of the tally between the two recorders, the votes for that candidate(s) shall be pulled and recounted.
4. Once the counting is complete and the results compiled, all ballots and working records shall be placed in an envelope and the envelope taped across its flap. The committee will then sign across the tape seal, and the envelope committed to the year's records.

**Notification of Results:** Upon completion of the counting, the committee and treasurer will prepare a compilation report with the results, all committee persons shall sign this report, and then provide it to the President of the Board of Governors. Upon receiving said report, the President will call the meeting back to order once a quorum of governors is on hand. Once the meeting is back in session, the President shall announce the names of the three candidates elected to the Board for terms commencing in January of the following year, for a period of three years.