

# Camden Ridge Homeowners Association

The president of the board of the Camden Ridge Homeowners Association called a special meeting of the Board of Directors to order at 7:31 p.m. on February 12, 2021

Board members Jason Brown, Kayla Cantrell, Taylor Janney, Heather McDonald, David Robison, and Derek Ruud were in attendance.

Mr. Robison introduced Mr. Irvin and Andy Grubbs as candidates for the position of secretary. Mr. Ruud read brief statements provided by each candidate. Mr. Irvin recused himself from the meeting. Mr. Robison called for a show of hands. Mr. Irvin received four votes, Mr. Grubbs one. Mr. Robison declared Mr. Irvin secretary.

Mr. Robison introduced a written ethics policy. After some discussion, the following policy was approved by acclamation:

## **ETHICS POLICY FOR DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS**

The Board of Directors has adopted the following ethics policy for its board members, officers, and advisory committee members (“personnel”). This policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

### **A. DIRECTOR AND OFFICER RESPONSIBILITIES**

The general duties for directors and officers are to enforce the association’s governing documents, collect and preserve the association’s financial resources, insure the association’s assets against loss, and keep the common areas in a state of good repair. To fulfill that responsibility, directors and officers must:

- regularly attend board meetings,
- review material provided in preparation for board meetings,
- review the association’s financial reports,
- follow governing documents, and
- make reasonable inquiry before making decisions.

### **B. PROFESSIONAL CONDUCT**

In general, personnel must conduct all dealings with vendors and employees with honesty and fairness, and safeguard information that belongs to the association.

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1. Self-Dealing. Self-dealing occurs when personnel make decisions that materially benefit themselves or their relatives at the expense of the association. “Relatives” include a person’s spouse, parents, siblings, children, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone who shares the person’s residence. Benefits include money, privileges, special benefits, gifts or other item of value. Accordingly, no director or committee member may:
  - solicit or receive any compensation from the association for serving on the board or any committee,
  - make promises to vendors unless with prior approval from the board,
  - solicit or receive, any gift, gratuity, favor, entertainment, loan, or any other thing of value for themselves or their relatives from a person or company who is seeking a business or financial relationship with the association,
  - seek preferential treatment for themselves or their relatives,
  - use association property, services, equipment or business for the gain or benefit of themselves or their relatives, except as is provided for all members of the association.
  
2. Confidential Information. Personnel are responsible for protecting the association’s confidential information. As such they may not use confidential information for the benefit of themselves or their relatives. Except when disclosure is duly authorized or legally mandated, no director or committee member may disclose confidential information. Confidential information includes, without limitation:
  - private personal information of fellow personnel,
  - private personnel information of the association’s employees,
  - private personnel information of the association’s members,
  - disciplinary actions against members of the association,
  - assessment collection information against members of the association, and
  - legal disputes in which the association is or may be involved--directors may not discuss such matters with persons not on the board without the prior approval of the association’s legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.

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3. Misrepresentation. Personnel may not knowingly misrepresent facts. All association data, records and reports must be accurate and truthful and prepared in a proper manner.
4. Interaction with Employees and Vendors. To ensure efficient management operations, avoid conflicting instructions from the board to management and avoid potential liability, personnel must observe the following guidelines:
  - Except for the president or, when authorized, vice-president(s), committee members and directors may not give direction to management, employees, or vendors.
  - If personnel are contacted by employees or vendors with complaints, the employees shall be instructed to contact the board as a whole.
  - No director may threaten or retaliate against an employee or vendor who brings information to the board regarding improper actions of a director or committee member.
  - Personnel are prohibited from harassing or threatening employees, vendors, directors, committee members, and owners, whether verbally, physically, or otherwise.
5. Proper Decorum. Personnel are obligated to act with proper decorum. Although they may disagree with the opinions of others on the board or committee, they must act with respect and dignity and not make personal attacks on others. Accordingly, personnel must focus on issues, not personalities and conduct themselves with courtesy toward each other and toward employees, managing agents, vendors and members of the association. Directors shall act in accordance with board decisions and shall not act unilaterally or contrary to the board's decisions.

### C. WHEN CONFLICTS OF INTEREST ARISE

Situations may arise that are not expressly covered by this policy or where the proper course of action is unclear. Personnel should immediately raise such situations with the board. If appropriate, the board will seek guidance from the association's legal counsel.

1. Disclosure & Recusal. Personnel must immediately disclose the existence of any conflict of interest, whether their own or others. Personnel must withdraw from participation in decisions in which they have a material interest.

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2. Violations of Policy. Personnel who violate the association's ethic's policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to disciplinary action, including, but not limited to:
  - censure,
  - removal from committees,
  - removal as an officer,
  - request for resignation from the board,
  - legal proceedings.

Prior to taking any of the actions described above, the board shall appoint a director to investigate the violation. The director shall review the evidence of violation, endeavor to meet with the director/committee member believed to be in violation, confer with the association's legal counsel, and present its findings and recommendations to the board for appropriate action. The board shall endeavor to meet with the director, officer, or committee member in executive session prior to imposing disciplinary action against that person.

The president adjourned the meeting at 8:00 p.m.

//Signed//

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President