



September 8, 2018

Re: Special Turnover Meeting on September 18, 2018

Location: River Wilderness Club House at 7:00 p.m.

It has come to our attention that some members of the community have publicly accused the HOA of conducting elections outside the rules specified in our documents. **This is absolutely not correct.** The HOA process is directly in accordance with our documents AND follows the specific advice of our HOA attorney.

The HOA started the Turnover process by immediately asking for legal memorandums from both the developer's attorney AND from our own HOA attorney (considering both Florida Statutes and our RW documents). Once in receipt of these legal opinions, the Board met with our HOA attorney to lay out the specifics of our process. We reported on this process at the Annual HOA meeting in April. The presentation made at the April meeting was immediately posted on the Argus website accessible to residents.

The Turnover process includes:

- 1). A Special Turnover election on September 18, 2018 where the community will elect **Two Directors** to replace the two developer's directors who are resigning. Their terms will end in April 2019.
- 2). **At our next annual meeting in April 2019**, the community will elect 7 Directors with staggered terms.

We had a second review of this process with the HOA Attorney this past week. The following paragraphs summarize his advice and the articles from our documents that prescribe this process:

1). The Special Turnover meeting elects community members to replace the developer's Directors who are resigning.

There are presently 5 directors on the HOA Board and 3 of them are developer representatives. At the September Special Turnover meeting the developer **must** give up his majority position on the board. Therefore he will resign two of his director seats. These resigned seats can either be filled by having the remaining directors appoint non-developer owners to fill them or alternatively hold an election where the non-developer owners vote to fill them. **The HOA Board has chosen to hold an election for these two seats rather than appointing them. We felt the community should have a voice in selecting the Directors to represent your interests.** This special turnover election will cost about \$2400 - the cost of two mailings. It will be paid by the developer as part of his turnover responsibility. Following the September Turnover meeting, all 5 directors will serve until the 2019 annual meeting.

2). The annual meeting is the first election where the community needs to elect 7 Directors not at the Special Turnover meeting.

Article 4.2 of our Bylaws states that while the Developer is in control of the Association, the number of directors shall be five (5), each serving a 1-year term. The Bylaws also state that **at the first election at which members other than the developer elect a majority of the directors**, the number of directors to be elected shall be increased to seven (7). The three candidates receiving the highest number of votes shall serve 2-year terms and the remaining four candidates will serve 1-year terms. According to Articles 3.5 and 4.4 of the Amended Bylaws, the election of directors occurs at the *annual meeting*. Therefore, our attorney states **the first election at which members, other than the developer, elect a majority of the directors is the annual meeting.**

Finally, we ask your cooperation. The Turnover process has many complex aspects that must be handled carefully as they will impact the future of the community. All the HOA Board members have worked diligently and have the community's best interests in mind in all the actions we take. All of us are always open to your suggestions and welcome your questions and opinions. There is no need for negativity. We truly appreciate those of you who have offered assistance and advice. We ask that the community work with us as we move forward.

The HOA Board