



PROVIDENCE MANOR
HOME OWNERS ASSOCIATION

Dear Providence Manor Homeowner:

As part of our ongoing effort to operate, administer, maintain, and reasonably protect the Providence Manor community, we are proposing ten amendments we hope you will approve for inclusion in our Declaration and Bylaws. Your consent is necessary for the amendments to become part of our governing documents. The intention of the proposed amendments is to make PMHOA compliant with current Ohio laws such as Ohio Senate Bill (SB61), modernize and streamline our governing documents, provide opportunities for cost savings, and implement amendments that are in the best interest of the community. A summary of each proposed amendment follows:

AMENDMENT A: Our governing documents need to be updated to correspond with technology that is becoming more readily available and utilized by all of us. As a result, we believe it is in our community's best interest to amend our governing documents to give our Association the ability and flexibility to operate more efficiently.

First, this amendment permits the Association to send notices to you electronically if you opt-in to do so. If you do not wish to receive notices electronically, you will of course continue to receive them by regular mail. *If you wish to receive notices electronically from the Association in the future, you can opt-in by including your email information on the enclosed consent ballot, otherwise again you will continue to receive notices by regular U.S. mail.*

Second, this amendment allows owners to use mail-in and electronic ballots to vote. If the amendment passes, the Board will decide if votes will be submitted by the owners in person at a meeting or if the votes can be submitted by ballot before the meeting. Ballots can be used to vote for Directors and on any other Association matter that requires a meeting to vote.

Third, this amendment also allows the Association to hold meetings virtually or in person.

If passed, we hope this amendment will enable owners to have more options available to actively participate and become involved with the Association functions in our community and save our Association money on costs associated with mailings and in person meetings.

AMENDMENT B: To protect the community from a potential safety risk, the Board is proposing an amendment to the Declaration that will prohibit sex offenders for whom sheriff notification is required from living in a home within our community association. The amendment only applies to those offenders for whom public notice of their intent to live within our community is sent by the sheriff. If we receive a notice from the sheriff that an offender is living in our community, our collective safety and property values are at risk, and so those individuals would be prohibited from residing on the property.

Note that the prohibition amendment is limited to banning offenders from living or residing within our Association; it does not ban an offender from owning a home within the Association, as this would potentially conflict with federal and Ohio law. Thus, while an offender could own a home in our community they cannot live here. With the passage of the amendment, owners will also not have to decide whether they need to disclose the presence of a serious sex offender when selling their home.

AMENDMENT C: Our Bylaws have minimal requirements to be a Director serving on the Board for our Association. That is, Directors must be a member in good standing with the Association. The current Board of Directors feels the Association would be better represented if the definition of good standing was defined such as being current in payment of their assessments to the Association and that they are not actively engaged in litigation against the Association. This amendment also allows Directors to be removed for various reasons, including conviction of a felony.

AMENDMENT D: At present, there is no *adequate* provision in our governing documents that provides for the reasonable and comprehensive protection of Directors, officers, or committee members who serve the Association in good faith on a voluntary basis. Most other associations provide comprehensive protection. This amendment adds that protection in our Bylaws. In addition to indemnifying former and present Directors, officers, or committee members, future Directors, officers, or committee members will be assured that they cannot be held personally liable for any reasonable decision the Board makes in good faith on the Association's behalf. On the other hand, the amendment does not protect Directors who break the law and intentionally violate their legal responsibilities to the Association.

This article also formally requires Directors & Officers insurance coverage, which PMHOA has maintained since at least 2012.

AMENDMENT E: The amendment requires the Association to have one annual meeting each year for the purpose of electing Directors. It also clarifies the time of the annual meeting to be held within 30 days from January 1st. This is a reduction from two required meetings and will align with as has been conducted since 2009. Since regular Board meetings are held on average every two months and are open to all HOA members to attend, the need for two larger meetings is unnecessary.

AMENDMENT F: Currently, our Bylaws require 25 percent of the owners to petition for a special meeting. By reducing the required percentage to 15 percent, we aim to ensure that meetings are more accessible while still maintaining fair representation.

AMENDMENT G: As some of you may be aware, we have had a difficult time obtaining the requisite quorum as stated in the Bylaws. For the past two years, it has required board members to spend many hours going door to door asking neighbors to fill out the proxy sheet to ensure we meet Quorum. To avoid the inconvenience of rescheduling these meetings because we cannot make quorum, we propose an amendment to lower the current quorum requirement to be based on those owners in good standing who are in attendance at the meeting or present by proxy. This requirement is consistent with many other homeowner associations, and is the standard in the State law for all non-profit corporations within Ohio. We also want to clarify that the current 60 percent quorum requirement that is needed to raise dues or impose special assessments is not changed by this amendment.

AMENDMENT H: Currently, there are only four positions on our Board because four is the only number allowed by our Bylaws. We cannot add more Board positions without an amendment. As a result, we are proposing the enclosed amendment for a vote to increase the number of to 5. This is important to avoid tie votes. This amendment proposes adding the "Member at Large" Director and outlines their responsibilities.

In addition, our Bylaws currently require Directors to have one-year terms. This means all Directors will be up for election at our annual meeting every year. This could result in the entire Board potentially being replaced each year, which in turn creates the possibility for our Association to lose the benefit of having Directors who have gained valued insight and historical knowledge about our community. We do not believe that operating in this manner benefits our community in the long-term. As

a result, we propose an amendment to increase the term length to two-years for all Directors and to establish staggered elections.

AMENDMENT I: The amendment changes the amount the Treasurer can disburse without Board authorization, which currently is set at \$50.00. This set dollar amount does not provide us with any flexibility and so the amendment proposes that the Board will vote each year as to what a reasonable limit will be for approving disbursements based on the budget.

AMENDMENT J: This amendment will enable the Board to spend up to 2 percent of the Association's annual operating budget on social activities, such as community picnics and holiday parties, which allows all of us to get together and enjoy each other. If passed, any social activity event the Board permits must be open to everyone in the community and also prohibits Association funds from being spent on alcohol. We believe that allowing this small amount of money to be spent on community related social activities and events will help us all get to know our neighbors and foster our community spirit.

The intention of this amendment is to legitimize the social spending of the Association and become compliant with Ohio state laws. Historically there has been a budget for events ranging from ~16.6% of the budget in 2016 to 1.5% (current). The Board believes that social events are important for building community while also exercising more conscious spending.

NEXT STEPS: Our governing documents require 75 percent approval of the Association's voting power to pass each amendment. Voting remains open until the amendments are either approved or they fail.

Whether you are in favor of or against the amendments, please sign, date, and return the enclosed Consent Ballot to our property management company, Associa CMS - Mason. We appreciate your prompt response.

Should you have any questions about these amendments, please feel free to contact Jennifer Miller, our community association manager, at 513-701-0560 or submit your questions in TownSq. by clicking "Contact an Admin." Thank you for your time and participation.

Sincerely yours,

THE BOARD OF DIRECTORS
PROVIDENCE MANOR
HOME OWNERS ASSOCIATION

Enclosures