

**MEETING**  
**By-Laws & Resolutions Advisory Committee**  
**February 2, 2021**  
**Microsoft Teams**

Present: Chair Jim Trummel and committee members Bob Hillegass and Keith Kaiser. Also present was Josh Davis, OPA Marketing and Public Relations Director. Chair Jim Trummel called the meeting to order at 1:15 PM.

The agenda was approved.

The minutes of the March 6, 2020 meeting were approved.

**PUBLIC COMMENTS:** None.

**UNFINISHED BUSINESS:**

There was no unfinished business.

**NEW BUSINESS:**

**By-laws Work Group:** A Work Group has been formed to review the current By-laws for the purpose of identifying potential amendments. The chair reviewed the status of the Work Group and the role that By-laws and Resolutions is expected to fill in any proposed amendments submitted to the Board of Directors. It has been almost 13 years since the current By-laws were approved and there has not been a comprehensive review of them. The Committee developed comments to send to the Work Group regarding consideration of provisions proposed for amendment. The comments forwarded to the Work Group by the chair are attached.

**2020 Director Election:** M-06 issues. The chair discussed issues from the 2020 election of directors. These included the manner in which multiple ballots from the same lot are prevented, the time for ending additional candidate applications and the use of the ballot for a survey question. The attached comments were forwarded to the Elections Committee chair and liaison.

**Resolutions F-02 Annual Budget Development, F-03 Reserve Accounts and F-04 Delinquent Assessments:** The Committee considered the status of F-02 and F-03 and requested they be reviewed for possible amendment. It was noted that a report required by F-04 has not been accomplished for the last two years and is again due. The comments were forwarded to the Committee liaison and are attached.

## **GOVERNANCE DOCUMENT REVIEW:**

The status of resolutions was reviewed. It was noted that because the Committee had not met since March 2020 the review schedule was not up to date. Resolution effective dates were revised and resolution status notes were added. The attached Governance Document is will be used for the continuing Committee review at the next meeting.

The meeting was adjourned at 2:50 PM on a unanimous vote.

Jim Trummel  
Minutes Recorder

## Comments to Election Committee

February 4, 2021

The By-laws and Resolutions Advisory Committee met by Microsoft Teams on February 2, 2021. At the meeting there were four items discussed that pertained to the 2020 election of directors.

**1. Additional Candidates:** Because the number of initial candidate applications did not reach the By-laws target of at least two more than the number of vacancies, there was an additional candidates announcement posted on the Association website. A copy of this announcement, by the then Association Vice President, follows these comments.

a. The announcement extends the opportunity to submit a candidacy application to July 3rd as an interpretation of the By-laws provision for additional candidates.

b. M-06, in paragraph 5.a of the basic text (prior to signatures, not in one of the M-06 attachments), sets the last date for additional candidate applications as the 3<sup>rd</sup> Friday in June.

The 2020 election announcement of additional candidates and M-06 are not consistent with one another. The By-laws and Resolutions Advisory Committee recommends that the time limit inconsistency in the 2020 election for the submission of an additional candidate applications be resolved prior to the next director election.

For information purposes, the reasoning behind the M-06 provisions is as follows:

c. The By-laws provision (Section 5.02(e)) does not set a specific date for submission of additional candidate applications. The submission to the Secretary for printing in Section 5.03(b) is a no later than date, not a specific calendar date.

d. Using the no later than date of Section 5.03(b) each year for the end date for additional candidate applications (if there is a circumstance for such applications) means that the Elections Committee and the Secretary may potentially have to accomplish election process tasks affecting the election materials after the By-laws time for election materials has expired. The M-06 provision of the 3<sup>rd</sup> Friday in June was established as a reasonable time, in addition to what had previously been available for Association members, to decide on running for the Board as well as leaving time for the Elections Committee and Secretary to proceed with election preparations in an orderly manner but, still within provisions of the By-laws.

**2. Duplicate Ballots:** The manner in which multiple ballots (also known as duplicate ballots) were prevented from being cast in the 2020 election varied from the duplicate ballot provisions of M-06, Attachment A, paragraphs 7, 8 and 9. The 2020 method used a number on the bottom of each ballot. The M-06 provision uses a process of marking a requested duplicate ballot as DUPLICATE and a final check of received return ballot envelopes to ensure that there has not been a ballot received for the same property as the DUPLICATE.

If the 2020 method is to be continued, it is recommended that M-06 be amended prior to the 2021 election. In considering the method used, it is also recommended that the impact of a unique property

identifier on the ballot itself be reviewed with regard to retaining anonymity of the ballot. With regard to ballot anonymity, the following comments are offered for consideration:

a. By-laws and Resolutions does not find any provision in Maryland Corporate Law which requires ballot anonymity for members of non-stock corporations. OPA is incorporated as a non-stock corporation under Maryland law.

b. Maryland HOA Act 11B-113.2 is a provision regarding voting anonymity when voting is by electronic means and the governing documents require voting by secret ballot.

c. The governing documents of OPA (charter, by-laws and declarations of restrictions) do not require ballot anonymity. Historically, the by-laws did provide for a “secret written ballot” voting method. However, this was deleted from the then by-laws in an amendment approved by the Board of Directors on 4/14/1998. No similar provision appears in the current by-laws.

d. M-06 does not have a provision expressly mandating ballot anonymity. However, M-06 does direct the separation of ballots from the return envelopes which do have property identifiers. This has the effect of maintaining ballot anonymity.

**3. Survey Question:** The 2020 director ballot contained a “survey question” regarding support for or against electronic voting in future elections. The By-laws and Resolutions committee questions the propriety of including questions in voting materials, in particular on the director ballot itself, that do not have a basis in the governing documents for being placed before the Association membership.

**4. Voting Instructions:** The 2020 Election Voting Instructions refer to a ballot and return envelope sent to all property owners “in good standing”. “In good standing” is not a term defined in the Association governing documents to identify property owners eligible to vote. The term did appear in the by-laws prior to 2008 and was used to identify owners eligible to vote. However, the term was not included in the current by-laws approved in 2008. The criteria for eligibility to vote as contained in the by-laws should be used in Association materials and public announcements. For information purposes “in good standing” was defined in prior by-laws as follows:

**Section 1.08. The term “Member in Good Standing” shall mean and refer to a member of the Association who is not delinquent in any assessments, fees or other charges established by the Association or any of its departments and ancillary organizations and who is not in continuing violation of any Restrictive Covenant of the Association or any rules or regulations established by the Board of Directors after receiving notice of said violation.**

## **2/5/2021 committee comments**

**Resolution F-02 Annual Budget Development:** The committee believes it is appropriate for there to be a review of this resolution at the end of each budget process. This year in particular, there are provisions in the resolution that merit review attention:

- a. It is suggested that the reporting provisions of paragraph 7 be amended to give the GM flexibility in developing content with guidance from the Board if, or when, necessary so that a rigid format is avoided. Also, allowance be made for additional reporting such as that now being performed by the Treasurer, again with flexibility as to content.
- b. The reporting of a 5% variance is mandated in 4.f and 7.a, but 7.b refers to current or significant variances without a specific %.
- c. The 6.c approval of a budget by February 28 has sometimes been a point of contention with the By-laws provision in Section 5.14(a) of at least 45 days prior to the beginning of the fiscal year.

**Resolution F-03 Financial Reserve Accounts:** Recent Treasurer's reports have had Drainage listed as a separate account. To be a separate account, Drainage must be added to F-03 as required by Section 8.03 of the By-laws.

**Resolution F-04 Delinquent Assessments:** Paragraph 3.a(6) calls for a meeting to review the Association delinquent assessment strategy and an update to the Board regarding its effectiveness and any further action that may be required. Although assessment collection status has recently been reported at Board meetings, the resolution requirement focuses on strategy of collection efforts and their effectiveness, not current status. There is no evidence that such a meeting and update was accomplished in either 2019 or 2020.

Although not an agenda item or discussed at the meeting, I believe it is appropriate to comment on the Search Committee. Section 5.02(b) states that a Search Committee shall be appointed no later than February 1st. At this date there is no indication of the appointment of such a committee. It is understood that current covid-19 circumstances may make appointment and effective operation of such a committee impractical. If so, there should be promptly put in place a substitute Association effort to publicize the candidacy opportunity from now until the candidacy cut off date which is now only 3 months away (May 10th).

NOTE: The below highlighted areas denotes the updates/changes made at the 2/2/2012 meeting by the C-04 Committee Members.

Ocean Pines Association  
By-Laws and Resolution Advisory Committee

Governance Document	Effective Date	Last Review Date	Scheduled Review Date	Comments
By-Laws	8/9/2008	Aug-08	TBD	
Articles of Amendment and Restatement	4/24/2018	Sep-13	TBD	
Declaration of Restrictions				
Total Number on File 33				Note: For informational purposes, the OPA has total for 33 of Declaration of Restrictions on file. The correct number of Declaration of Restrictions is 33, not 34 as was previously listed in error.
Snow Hill Depository			Jun-19	
Board Resolutions				
B-01 Book of Resolutions	1/4/2020	Jan-20	Jan-22	
B-02 Rules of Order for Board Meetings	11/19/2008	Oct-18	Oct-20	
B-03 Meetings of Association Members	11/19/2008	Oct-18	Oct-20	
B-04 Agenda Development for Board Meetings	1/27/2018	Oct-18	Oct-20	
B-05 Conflicts of Interest	11/19/2008	Oct-18	Oct-20	
B-06 Indemnification Policy	11/19/2008	Oct-18	Oct-20	
B-07 Petitions	11/19/2008	Oct-18	Oct-20	
B-08 Director Ethics & Conduct	7/27/2018	Jul-18	Jul-20	
Committee Resolutions				
C-01 Committee General	9/9/2020	Oct-20	May-21	
C-02 Architectural Review Committee	5/2/2020	Apr-18	Apr-20	
C-03 Budget and Finance Advisory Committee	10/10/2018	Oct-18	Oct-20	
C-04 By-Laws and Resolutions Advisory Committee	10/20/2018	Oct-18	Oct-20	
C-05 Clubs (Food & Beverage) Advisory Committee	10/20/2018	Oct-18	Oct-20	This Advisory Committee was suspended by the BOD at the 9/9/2020 Board meeting.
C-06 Communications Advisory Committee	10/20/2018	Oct-18	Oct-20	
C-07 Strategic Plan Advisory Committee	1/27/2018	Jan-18	Jan-20	Hold for Strategic Planning review as part of reorganization.
C-08 Elections Committee	10/10/2018	Oct-18	Oct-20	
C-09 Executive Council Committee	5/20/2009	Sep-17	Sep-21	
C-10 Environment and Natural Assets Advisory Committee	10/27/2017	Mar-19	Mar-21	



**NOTE:** The below highlighted areas denotes the updates/changes made at the 2/2/2021 meeting by the C-04 Committee Members.

**Ocean Pines Association  
By-Laws and Resolution Advisory Committee**

Governance Document	Effective Date	Last Review Date	Scheduled Review Date	Comments
C-11 Golf Advisory Committee	5/2/2020	Feb-20	Feb-22	
<i>Responsible: C-11 Committee Chair</i>				
C-12 Marine Activities Advisory Committee	5/20/2009	Jul-17	Feb-22	
<i>Responsible: C-12 Committee Chair</i>				
C-13 Recreation and Parks Advisory Committee	10/10/2018	Oct-18	Oct-20	
<i>Responsible: C-13 Committee Chair</i>				
C-14 Racquet Sports Advisory Committee	12/19/2020	Jan-17	TBD	
<i>Responsible: C-14 Committee Chair</i>				
C-15 Aquatics Advisory Committee	10/10/2018	Oct-18	Oct-20	This Advisory Committee was reinstated by the BOD at the 12/17/2020 Board Meeting. The Committee will operate as defined in the Board Approved, Resolution C-14.
<i>Responsible: C-15 Committee Chair</i>				
<b>Financial and Budgetary Resolutions</b>				
F-01 Investment Guidelines	3/24/2016	May-18	May-20	
<i>Responsible: Board</i>				
F-02 Annual Budget Development	11/19/2008	May-18	May-20	Will be reviewed after approval of the budget.
<i>Responsible: Board</i>				
F-03 Financial Reserve Accounts	10/17/2020	Jun-19	Jun-21	
<i>Responsible: Board</i>				
F-04 Delinquent Assessments	6/1/2019	Jun-19	Jun-21	C-04 Committee is waiting for the required Delinquency Report.
<i>Responsible: Board</i>				
<b>General and Administrative Resolutions</b>				
M-01 Compliance Procedures	5/2/2020	Jan-20	Jan-21	
<i>Responsible: Board</i>				
M-02 Amenity Policies	11/2/2019	Apr-15	Nov-21	
<i>Responsible: Board</i>				
M-04 Maintenance of Lots	5/2/2020	May-18	Oct-20	
<i>Responsible: Board</i>				
M-05 Animal Control	2/17/2010	May-17	May-19	C-04 Board Liaison forward to OP Chief of Police (COP) for review and comment.
<i>Responsible: Board</i>				
M-06 Elections and Referendums	2/5/2020	Feb-20	Oct-20	C-04 Chair will provide M-06 Chair and M-06 Board Liaison with suggestions/comments from the C-04 Committee Meeting held on 2/2/2021.
<i>Responsible: Board</i>				
M-07 Bulkhead and Waterway Maintenance	6/16/2010	Jul-17	Jul-19	C-04 Board Liaison to forward to Colby Phillips for review and comment.
<i>Responsible: Board</i>				
M-08 Association Manuals (includes a Total of 8 manuals) <i>Architectural Review Committee Guidelines, Employee Handbook, OPA Emergency Operations Plan, OPA Financial Management Procedures Manual, OPA Financial Management Policy Manual, OPA Job Descriptions Manual, Employees Safety Manual, and the General Manager's Policy Instructions.</i>	7/20/2011	Nov-17	Oct-20	C-04 Chair has placed this on hold until after the Board appointed By-Laws Workgroup has completed their work. Any changes they make to our by-laws or governing documents may required changes to the Association Manuals to correct any possible inconsistencies between these manuals and our governing documents.
<i>Responsible: Board</i>				
M-09 Search Committee	2/16/2019	May-19	Jul-20	
<i>Responsible: Committee Chair, GM and Board</i>				