

Annual WHP Meeting Minutes 06/29/2013

Location: Showell Elementary School 10am

10:06 am Call to order

Members introduced: President-Gerry Mathinson, - VP Edd Webb, Treasurer- Ted Gajewski, Secretary- Dave Beauregard and member Pat Heath

Attendance - 88 Homeowners present;

Quorum met for purpose of electing board members (116 lots)/25% of total property owners eligible to vote in person or Absentee Ballot; 303 votes

Quorum met for all business conducted during the annual meeting consisting of 15% of total property owners (70 lots) eligible to vote in person: 88 Homeowners representing 88 lots present in person.

ECC Members Sue Gajewski and Ron Cooke gave ECC Report

Clubhouse report by Linda Zaworski

Introduction to Candidates;

Jerry Hoots (not Present)	John Nethkin
Pat Heath	Susan Waskey
Robert Price	George Francis
Brad Basford	Georgine DeBord
Linda Zaworski	Will Goheen
Marias Warburton	

2012 Annual Minutes: Approved

Marina Report

Total Cost estimated at \$518,000.00

Phase 1 – Cost: \$158,000 PAID Off

Phase 2 – Cost \$187,000 (93,000 paid to date)

Phase 3 – Cost estimate for ramp \$52,000.00

Phase 4 Back Pier to begin in Nov/Dec 2013 estimated cost \$120,000.00; Do not have exact amount, this is our guess at this time.

Re: Stacy Hart – permits expire 2014 we need to start last phase

To pay off marina it would cost \$265,000.00. Divide this by 465 units that will be \$600.00 per lot for an assessment.

Marina committee and BOD state the system being used now is working.

Five dollars from each unit monthly goes into the marina fund. This money is used to pay the loans down.

System is working so don't hit anyone with an assessment

Continue paying like we are

Ballot box 10:30am to be counted

Account CPA

Liz Gregory from Gregory and Associates gave annual report. Several homeowners outraged because they did not receive a full report on paper. In the past the owners received a partial report and if they wanted the full report, WHP office could email it to the owner or the owner could pick up a copy at the office. Starting 2014 annual meeting, 100 copies of the complete annual report will be provided at the annual meeting and if more copies are needed the owner requesting the copy can get it from the office.

Copulation report is a report NOT an audit or a review it is a formatted report]

Audit Requested

Voting results for nominations:

133- 3 year term Bob Price

88- 2 year term Pat Heath

82- 1 year term Maria Warburton

Voting Results on Proposed By-Law Changes (see Attached)

Voter Committee consisted of:

Dave Page

Linda Underwood

Bill Rosenbaum

Bunnie Jenkins

New Business

Natural Gas (Craig Small Lot 354) gave a report on Natural gas

Natural Gas is coming to the area of Ocean Pines and Berlin. Natural gas is more efficient with an average home savings of 35% annually. Craig will find out more information.

Discussed Proposed By Laws

** see attached

Wi-Fi discussed; Bob Raymond to head up a Wi-Fi Committee

Meeting Adjourned

**Annual Meeting June 29 2013
Proposed By-Law Changes and Additions
BY-Laws of White Horse Park Community Association**

Proposed By-Law Change:

Add to Definitions: Article II Section I

“**Ballot**” means all ballots shall be secret ballots unless otherwise specified in these BY-Laws such as an “in person” vote required at a special assessment meeting as required in the Declarations. All mail in absentee ballots shall use the two-envelope method. For an in person vote at the annual meeting, members shall identify themselves with name, signature and lot number on the ballot to avoid a possible duplicate.

Approved

“**Referendum**” is a general vote by the membership on a single question or proposal that has been referred to them for a direct decision, approval or rejection.

Approved

Proposed By-Law Change:

Article III Association Membership Section 1

Currently States:

Each lot owner shall be entitled to one **vote** for each lot owned, with respect to all matters required to be voted upon by members of the Association. In the event of joint ownership of a lot, only one (1) **vote** may be cast. The person authorized to cast the joint owners **vote** shall be designated to the Association in writing. The Board’s decision shall be final, and shall determine any disputes as to the proper person holding the right to vote with respect to any lot.

Change the word “Vote” to “Ballot”

Approved

Proposed By-Law Change:

Article VI Board of Directors Section 4, a

Currently states:

Election of directors shall by a majority vote, in person or by absentee ballot, at the annual meeting of the members, with each member entitled to vote as set forth in Article III, Section 1 hereof. Each member may cast the number of **votes** to which such member is entitled for each position to be filled on the Board Cumulative voting shall not be permitted.

Change the word “Votes” to “Ballots”

Approved

Proposed By-Law Change:

ARTICLE VI THE BORAD OF DIRECTORS SECTION 1 (b)

“Perform other acts the authority for which has been granted herein by the Declaration or by law, including the borrowing of money for Association purposes. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person borrowing is for a proper corporate purpose. The Board may, **with the approval of ten (10%) percent of the total property owners (47) lots** if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any Association property as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefore.

Proposed Change

With approval of twenty (20%) percent 93 lots

Not Approved



Proposed By-Law Change:

ADD the following to the By-Laws

The Board may under take capital expenditures for the replacement, renovation, and repair of existing facilities and the acquisition of new facilities or land. If the estimated cost of any single capital expenditure exceeds \$10,000.00, the proposed capital expenditure shall require approval of the members by a referendum (vote). The Board of Directors shall initiate a referendum ballot to approve proposed action and shall hold a public hearing on the proposal at a monthly board meeting. Notice of the hearing shall be provided to the members at least (60) days prior to the hearing by U.S. mail or in a publication distributed by the Association to the members. The notice shall contain a description of the proposed action. The Board may modify or withdraw the proposal after the hearing. Voting on the referendum may be by separate ballot, absentee ballot or included on the ballot for election of Directors.

Information containing, at a minimum, the action to be voted on and an explanation of the effect of the proposal, if adopted, shall include with the ballot. Referendum ballots shall be distributed to all members eligible to vote not later than (30) days following the hearing. Any proposal presented in a referendum requires a majority vote of the total ballots cast in order to become effective.

The quorum vote shall be forty (40%) percent of total lot owners (186 lots). At the Board of Directors discretion, they may initiate a referendum vote on any issue/question under \$10,000.00 that they wish to get members approval/advice before proceeding with the issue. A question, proposal, or action not adopted may not be resubmitted within one year of the previous submission. A referendum is not required for an emergency repair of existing facilities.

Not Approved

Proposed By-Law Change:

ADD the following to the By-Laws

A referendum may be called upon the written petition of a minimum of (10%) of the total lot owners (47 lots) of the Association. Such petition shall set forth the purpose of the referendum. The petition must contain a specific question, proposal, or action suitable for an affirmative or negative response on a ballot. The Board of Directors shall initiate a referendum ballot to approve proposed action and shall hold a public hearing on the proposal at a monthly meeting within 60 days after a valid petition is filed. Notice of the hearing shall be provided to the members not less than (30) days nor more than (60) days prior to the hearing by U.S. mail or in publication distributed by the Association to the members. The notice shall contain a description of the proposed action. Information containing, at a minimum, a copy of the proposal in the petition, a brief explanation of the proposal written by the petitioners, and a statement of position by the Board of Directors shall be included with the ballot. Referendum ballots shall be distributed to all members eligible to vote not later than (30) days following the hearing. Voting on the referendum may be by separate ballot, absentee ballot or included on the ballot for election of Directors. Any proposal presented in a referendum requires a majority affirmative vote of the total ballots cast in offer to become effective. The quorum vote shall be forty (40%) percent of the total lot owners (186 lots). A question, proposal, or action not adopted may not be resubmitted within one year of the previous submission.

Not Approved

06/03/2013

Board of Directors

Mr. Almand; Attorney for WHP has reviewed the By-Law proposals; below is his response:

I think the amendments are ill-advised. The owners elect directors, and those directors have a fiduciary duty to manage and control the affairs of the association using their best business judgment as required by Maryland law.

Requiring the Board to get 20% approval to pledge collateral for a loan or to go through a time-consuming referendum process to spend \$10,000 for replacement, renovation or repair would seriously interfere with the Board's duty to manage the Park. Although the capital expenditure bylaw proposal exempts "emergency repair of existing facilities" such an exception does not exist for pledging collateral. More importantly, what is an "emergency repair" and who decides? If the pool needs \$12,000 in repairs in October, is that an emergency? What if it is in May? If the gates stop operating, is that an emergency in December? What if it is July?

I am opposed to owners interfering with the Board's ability and responsibility to make quick, important decisions regarding Association property. If the owners insist on such amendments, I recommend that (1) the \$10,000 capital expenditure threshold be raised to \$75,000, and (2) the referendum process be replaced with approval by a majority of the owners attending a special or regular Association meeting.

Although you did not ask my opinion on requiring secret ballots rather than votes by owners, I think that proposed amendment will slow down meetings and interfere with ordinary business at meetings. Requiring secret ballots for election of directors is reasonable but votes on other matters should be in the open at meetings.

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