

# TANYARD SPRINGS HOA

## **ADMINISTRATIVE RESOLUTION #2013-3 BOARD OF DIRECTORS CODE OF CONDUCT**

WHEREAS, the By-Laws of the Association empower the Board of Directors with the authority to establish formal policies in connection with the manner in which the Board and its committees conduct the business of the Association; and

WHEREAS, the Board has decided to establish operating procedures for itself and its committees;

NOW, THEREFORE, BE IT RESOLVED that the Board adopts the following operating procedures as its formal policy:

### **I. ELECTIONS AND APPOINTMENTS**

#### A. Officers

Officers of the Board shall be elected by a majority vote of the Board at the first business meeting of the Board of Directors following the annual meeting, and as necessary during the year. The vote shall be conducted by ballot which shall be counted, at the meeting, by the managing agent. The highest ranking officer of the Board from the previous year shall act as the Chair at the first business meeting of the Board until new officers are elected.

#### President

The President shall be the chief executive officer of the Association and shall have all the powers and authority outlined in the Association's governing documents and dictated by Maryland Corporate Law. The Board President shall have the right to delegate any or some of those authorities to others as the Board President deems appropriate and in the best interest of the Association for the smooth and efficient conduct of the Association's business. The Board President or his/her designate shall chair all regular and special meetings of the Board of Directors and all meetings of the general membership of the Association, including the Annual Meeting the Board President or his/her designee shall have the responsibility for establishing the agenda, specifying the date, place and time of the meetings and for determining who, in addition to Board members, should be in attendance at all Board and membership meetings. The Board President shall perform all duties incident to the office of President.

#### Vice President

The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. The Vice President shall also perform other duties as shall from time to time be requested by the Board of Directors or the President. The Vice President shall have all the powers and authority outlined in the Association governing documents and dictated by Maryland Corporate Law.

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## Treasurer

The Treasurer shall be responsible for Association funds and securities; keep full and accurate financial prepare or cause to be prepared all required financial data, working closely with the Manager to create a Financial Report; and, in general, perform all the duties incident to the office of the Treasurer.

## Secretary

The Secretary shall: keep the minutes of all meetings of the Association and of the Board of Directors; have charge of such books and papers as the Board may direct; give or cause to be given all notices required to be given by the Association; give each member notice of each assessment against such member's lot as soon as practicable after assessment is made; give each member notice and a copy of the Rules and Regulations or amendment thereof; maintain a register setting forth the place to which all notices to members, and mortgages hereunder shall be delivered; give notice to each member of any dedication, conveyance and transfer by the Association of any property or of any easement or other estate or interest therein; file or cause to be filed the annual report; make it possible for any member to inspect and copy at reasonable times and by appointment the records of the Association; and, in general, perform all the duties incident to the office of Secretary.

## B. Committee Liaisons

Committee Liaisons shall be appointed by the Board at the first business meeting of the Board of Directors following the annual meeting, and as necessary during the year. The purpose of Committee Liaisons is to facilitate communications between the Board of Directors and its committees. No Board member shall serve as Liaison to more than two committees. Due to the additional responsibilities of the President, he/she will not act as the Liaison to any committee. The Treasurer shall act as the Liaison to the Finance Committee (if such exists).

The following represents the roles and responsibilities of Committee Liaisons:

- Assist committee chairs, as requested, in attracting members and encouraging homeowner participation in committee meetings;
- Communicate Board-assigned tasks, priorities and schedule to committees;
- Periodically attend committee meetings;
- Encourage committees to report their progress at monthly Board meetings;
- Communicate committee progress if no report is submitted by a committee;
- Encourage committees to periodically prepare committee activity updates for the newsletter;
- If the committee requires clarification from the Board as an issue develops, Committee Liaisons should obtain a consensus of the Board prior to giving the committee direction;
- Committee Liaisons and committee chairpersons should work with the on-site manager as needed for problem resolution or scheduling issues;

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- Upon request of the committee, obtain Board consensus for changing annual agenda items or schedule;
- Committee Liaisons are not members of the committee and therefore do not have a vote;
- Committee Liaisons should not attempt to influence a committee recommendation;
- Committee Liaisons should not attempt to run or dominate committee meetings;
- Committee Liaisons do not have the authority to task committees or alter committee agendas without Board consensus.

Board members who are not the designated Liaison to a committee but wish to attend committee meetings shall not impose themselves or otherwise interfere with the activities or functions of the committee and will not represent their personal views as being those of the Board of Directors.

## C. Management Liaison

The Management Liaison shall be appointed by the Board at the first business meeting of The Board of Directors following the annual meeting, and as necessary during the year.

The Management Liaison and/or the Board President shall become reasonably familiar with the day-to-day operations of the management office and shall have the authority to direct the managing agent between Board meetings. This authority will extend to include, but not be limited to, the approval of expenditures for maintenance of amenities or Association assets, office equipment and furniture, casual labor, equipment rental, etc., which is deemed necessary to continue, without interruption, routine services or operational needs of the Association. All expenditures authorized by the Management Liaison and/or Board President between meetings shall be reported to the Board of Directors at the next regularly scheduled meeting of the Board.

Emergency repairs, involving manifest danger to life or property, or immediately necessary for the preservation and safety of the Property or for the safety of residents, or required to avoid the suspension of necessary services to the Association, may be made by the Managing Agent irrespective of cost. The Managing Agent will, if at all possible, confer immediately with the Board President and/or Management Liaison regarding every such expenditure.

The Board President and/or Management Liaison are authorized to assist and direct the Managing Agent in resolving disputes with homeowners that are deemed by them to be routine or minor in nature. Resolution reached on such disputes will be reported to the Board of Directors at the next regularly scheduled meeting of the Board.

To the extent practicable, all communications with the Managing Agent shall be made or delivered by the Board President and/or the Management Liaison.

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## D. Legal Liaison

The Legal Liaison shall be the Board President or his/her appointee. The Legal Liaison is the primary contact with legal counsel for the Association. Board members seeking legal counsel on issues must obtain authorization from the Board President to contact legal counsel. This will assist in ensuring that legal opinions are not duplicated at the expense of the Association and that legal costs are controlled.

## E. Communications Committee Liaison

The Communications Committee Liaison shall be the Board President or his/her appointee. Periodically, the news media may make inquiries of the Association concerning pending news stories. All such inquiries shall be referred to the Communications Committee Liaison who shall (in consultation with the Board President) either respond personally to such requests for information, refer them to the appropriate Association point-of-contact, or (if the matter warrants) defer the matter to the Board for discussion or to legal counsel for an opinion. Management's Policy is to never state anything to the News Media without first consulting Management's Executives.

Board members may submit articles to the Communications Committee Liaison for publication in the Association newsletter. Articles must be submitted no later than one week prior to the newsletter deadline to allow sufficient time for review and distribution. Copies shall be distributed to all Board members. The Communications Committee Liaison shall review all articles submitted by Board members to ensure that information is not duplicated, to check the accuracy of the information, and to prevent sensitive, confidential or premature information from being released. The Communications Committee Liaison may delay publication of any article for review and approval by the full Board.

## **II. BOARD MEETINGS**

### A. Board Meeting Schedule

The Board of Directors will establish its annual meeting schedule at the first business meeting of the Board of Directors following the annual meeting. Board business will continue until 9:00 pm. At 9:00 pm, the Board President will review the remaining agenda items and determine whether or not the remaining business can be concluded by 9:30 pm. If not, the President may recess the meeting, which will reconvene within five working days for the completion of business.

Board members shall exercise their best efforts to attend and be on time for all meetings. Whenever a Board member knows in advance that he cannot attend a meeting, will be late for a meeting, or will have to leave a meeting early, he shall exercise his best efforts to inform the President or the managing agent in advance of the meeting.

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## B. Board Meetings

The Board President, working with the Community Manager, shall have the responsibility for setting the agenda for Board meetings each month. Board members wishing to have an issue placed on the agenda should submit a written request for same to the Board President or managing agent, together with all supporting documentation to be distributed to Board members in the Board package, no later than two weeks prior to the Board meeting. If a submitted agenda item is, in the opinion of the President, incomplete or lacking a committee recommendation deemed necessary by the President, the item will not be included in the agenda.

Board meeting agendas will generally be set up as follows:

- Call to Order
- Approval of Agenda
- Approval of Minutes
- Committee Reports
- Financial Report
- Management Report
- Matters for Board Decision
- Resident Forum
- Closed Session (if any)
- Action Item List
- Adjourn

Political candidates will not be given time during Board meetings to solicit Board or membership support.

Board meeting packages will be delivered to all Board members no later than the Tuesday prior to the Board meeting. Board members are expected to read the distributed material thoroughly and come to the meeting prepared to act on the issues before them. If Board members have questions about agenda items, they must contact the management staff and/or appropriate committee chair to resolve their questions prior to the Board meeting. This will ensure that research required to answer questions can be conducted and will limit unnecessary discussion at the Board meeting.

When a Board member wishes to speak at a meeting, he shall raise his hand and wait for the Chair to formally recognize him for the purpose of granting him the floor. No member of the Board or meeting attendee shall speak out of order or without recognition from the Chair. No member of the Board or meeting attendee shall engage in any activity that interrupts or distracts any member of the Board or meeting attendee when another member of the Board or meeting attendee has the floor for discussion purposes. The Chair shall not recognize any member of the Board more than once on any motion until all members of the Board who wish to discuss the motion have had an opportunity to speak. No member may speak more than twice on one issue. At all times, the Chair shall determine who has the floor to speak and may impose uniform time limitations.

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Board members and meeting attendees shall not use inappropriate body language or verbal tones during their debate of the issues. Any actions or comments designed to insult, demean, or attack the personal character of any member of the Board, meeting attendee or the Board as an entity shall be strictly prohibited. Board members owe a special duty of civility to the Association's membership and shall be particularly courteous to individual members at all times during official functions of the Association.

The Chair shall have the unilateral authority to enforce the code of conduct or may do so in response to the request of any other member of the Board if the Chair agrees with the request. The first step of enforcement shall consist of the Chair issuing a call to order to the particular member of the Board or meeting attendee, who then must obey the directive immediately. The member called to order shall have the right to appeal the Chair's ruling, which appeal shall be open to debate and vote of the Board.

In any instance of a flagrant or repeated violation of this code of conduct, the Chair may unilaterally issue a ruling to that effect against the offending member and may require the offending member of the Board or meeting attendee to leave the premises of the meeting. Any such ruling may not be appealed by the offending member and must be immediately obeyed, unless another member of the Board wishes to appeal the Chair's ruling, in which case the appeal shall be open to debate and vote by the Board.

The Chair shall have the option to temporarily recess or adjourn the meeting if the meeting in his or her sole discretion can not be brought to order. The Board further reserves additional enforcement powers.

All members of the Board owe a duty of respect to the Board of Directors as an entity, particularly with respect to its formal votes and formally approved policies. If conducted civilly, robust disagreement between members of the Board is perfectly acceptable behavior and even encouraged, as it is often necessary and appropriate for the development of the best decision making process; however, once the Board formally votes on a matter, no member of the Board shall engage in any unauthorized activity which undermines the ability of the Board to successfully effectuate the results of the vote. The duty of respect owed to the Board requires dissenting members to work within the formal procedures of the Board to modify or rescind the previously adopted votes or approved policies with which they disagree. Dissenting members of the Board may voice their disagreements with any such votes or policies at any official function of the Association, but should do in a manner which shows respect for the Board as an entity. All Board members shall recognize that their individual behavior is a reflection upon the Board as an entity; therefore, they shall refrain from any public conduct within the community that would bring the Board into disrepute.

In addition to the enforcement remedies provided to the Chair stated above, the Board may enforce this resolution by the following means: private reprimand, public censure, suspension from the Board for a maximum of 2 months, or the initiation of a removal action as stated in Section 5.5 of the Articles of Incorporation.

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The Board shall not take any such enforcement action against any Board member until the Board votes on the public record to cite the member of the Board with a flagrant or repeated violation of the code of conduct cited herein. The Board must then provide the Board member in question with written notice of the alleged violation and an opportunity to be heard on the matter at a duly convened meeting of the Board. Once the Board concludes this process, it may vote to impose or pursue any of the enforcement actions cited above.

## C. Appeals & Hearings

In the case of architectural appeals or hearings, Board members will, upon a recommendation to that effect by the Managing Agent, perform a site inspection of the property prior to the Board meeting. During site visits, Board members shall refrain from offering personal opinions about the appeal or hearing to homeowners or affected neighbors.

All appeals and/or hearings before the Board will be conducted according to the following format:

Managing Agent	Background	2 minutes
Aggrieved Party (If Any)	Opening Statement	5 minutes
Applicant	Opening Statement	5 minutes
Covenants Committee	Opening Statement	2 minutes
Board of Directors	Questions	5 minutes
Aggrieved Party (if any)	Closing Statement	2 minutes
Applicant	Closing Statement	2 minutes

After hearing all statements, the Board of Directors will adjourn into closed session to consider the issue and will communicate their ruling, in writing, to the applicant, the aggrieved party (if any) and the Covenants Committee (if any) within ten (10) days of the Board meeting.

## D. Board Meeting Minutes

Board meeting minutes are drafted by the Secretary and sent to the managing agent. After review they shall be sent to all Board members within one week or as soon as possible of the Board meeting for review. Board members wishing to propose revisions to the minutes should submit their amendments in writing to the managing agent for inclusion in the following month's Board package, unless they are grammatical in nature, in which case the managing agent may revise the minutes as appropriate. Board meeting minutes will include a listing of the meeting participants, a record of business conducted, motions made, votes taken, motions to adjourn into closed session and to reconvene into open session (with time notations) and the stated purpose of the closed session, any tasking by the Board and time of adjournment. Discussion by individual Board members will not be reflected.

## E. Robert's Rules of Order

Board meetings will be conducted generally in accordance with Robert's Rules of Order.

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## F. Closed Session

The Board of Directors shall convene into closed session only for the purpose of discussing the following items specifically allowed by the Maryland Homeowners Association Act:

“personnel matters, consult with legal counsel; discuss and consider contracts, potential or pending litigation and matters involving violations of the declaration or rules and regulations adopted pursuant thereto for which a member, his family members, tenants, guests or invitees are responsible; or discuss and consider the personal liability of members to the Association”

An affirmative vote in open session shall be required for the Board to convene in closed session. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The Board of Directors shall restrict consideration of matters during the closed portion of meetings only to those purposes specifically exempted and stated in the motion. No contract, motion or other action adopted, passed or agreed to in closed session shall become effective unless the Board of Directors, following the closed session reconvenes in open session and takes a vote on such contract, motion or other action which shall have its substance reasonably identified in the open meeting.

All members of the Board shall recognize that matters pertaining to the Association’s business conducted in closed session shall be kept confidential and not disclosed to the community membership or to members of the public at large. The same applies to any written communications from legal counsel denoted as a confidential document. Board members shall not disclose confidential information (as that term is defined below) under any circumstances to any person not on the Board without the express consent of a majority of the Board voting at a duly convened meeting of the Board of Directors.

In any instance when a Board member might be confused about the confidentiality requirements and in order to minimize the possibility of inadvertent disclosure, Board members shall consult with the President before making any disclosure to a third party which might arguably release confidential information covered by this resolution, as that term is defined below.

All confidential information is the property of the Association. Board members shall keep in strict confidence any and all information and upon the expiration of the Board member’s term, shall return all confidential information in his possession to the Board and shall keep confidential all non-tangible confidential information.

For the purpose of this resolution, the term “Confidential Information” shall mean any information related to:

- communications with the Association’s legal counsel or professional consultants
- pending litigation

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- pending matters involving formal proceedings for enforcement of the governing documents or rules or regulations of the Association
- pending negotiations for transactions involving the Association (including pending contracts) and agreements containing confidentiality requirements, or
- Minutes of meetings of closed session of the Board of Directors, and the substance thereof.

Confidential Information shall not be deemed to include information:

- at the time of disclosure is available to the general public through public records of the Association which the Association must make available to the members for inspection or copy under state law;
- that an administrative agency or court of competent jurisdiction orders to be disclosed, provided, however, that upon receipt of any order, subpoena, or summons of any kind, before providing the information or document requested, the Board member shall give the Association immediate notice thereof in order to allow the Association an opportunity to protect its Confidential Information. The Board member shall provide all necessary cooperation for this purpose.

## G. Orientation Meeting

Board members are expected to attend an orientation meeting each year following the annual meeting. The agenda for the orientation meeting will be prepared by the Board President with the assistance of the managing agent. The Association's legal counsel may be present to update the Board on the status of any pending legal issues. The Association's insurance representative and auditor may also attend to summarize the insurance held by the Association and the financial condition of the Association.

## H. Planning Meetings

Board members are expected to attend planning meetings during the year for the purpose of setting the Association agenda and reviewing the status of completion of agenda items.

## I. Special Meetings

The Board of Directors may hold a Special Meeting as stated in Section 3.3. of the Bylaws upon the direction of the President or "upon the written request of at least two directors." Special, or emergency, meeting requests shall be reasonable, under the circumstances and contemporaneous with notice to Board members. Special meetings shall be open to the membership; however, due to the nature of Special, or emergency, meetings, the public at large may not be admitted. Special meetings shall be called by the President for the following cases:

- For resolution of misappropriation of fund charges or fraud by a board member, contractor or potential contractor. Specific charges must be stated in writing by at least two board members with supporting documentation;
- For investigation of potential undisclosed conflict of interest by a member of the board. Specific charges must be stated in writing by at least two board members with supporting documentation;

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- For discussion with legal counsel on pending litigation in which direction must be given to legal counsel prior to the next regularly scheduled board meeting;
- For resolution of emergency situations, which may affect the operational or financial stability of the association.

### **III. DUALITIES AND CONFLICTS OF INTEREST**

A. Members of the Board owe a fiduciary duty to the Association which requires them to consider only the best interests of the Association when they vote on any matter and to exclude any competing interest from their consideration. If a member of the Board has any duality of interest, concerns that compete with their fiduciary duty, or any conflict of any sort, then he must disclose such interest, concern or conflict on the record. If he believes that such interest, concern or conflict prohibits him from the exercise of his fiduciary duty, then he must recuse himself from voting or discussing the motion and announce his intent to do so. If he believes that such interest or concern does not rise to the level of a conflict of interest and does not impede his ability to exercise his fiduciary responsibility, he must state his reasons on the record and his intent to participate in the discussion and vote on the motion. Under such circumstances, the other Board members shall presume good faith on the part of their fellow member of the Board and shall not vote to disapprove their fellow Board member's right to participate in the discussion and vote unless there is clear and convincing evidence that the member's participation in the discussion and vote would damage the integrity of the Board and be injurious to the interests of the Association.

B. Under no circumstances shall any member of the Board participate in the discussion or vote on any matter in which the member has a conflict of interest. For the purposes of this resolution, the term "conflict of interest" shall include, but not be limited to, the following situations:

- 1) Whenever the Board intends to review a case involving the compliance of a member of the Board with the Association's legal requirements, the relevant Board member must recuse himself from the discussion and voting on the matter.
- 2) Whenever the Board intends to review a contract or expenditure of funds involving the direct pecuniary interest of a Board member, the relevant Board member must recuse himself from the discussion and voting on the matter.

C. No member of the Board shall vote to approve the expenditure of funds for the acquisition of services or goods from any Board member, relative of a Board member, or entity which is affiliated with any of the Board members or their relatives, unless the Board member with such relationship discloses the relationship on the record and there is convincing reason to believe that a vote in favor of such an expenditure would be in the best interest of the Association. Under such circumstances, the vote must pass by a least a two-thirds majority of a quorum of members of the Board of Directors.

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D. Under no circumstances shall any Board member solicit a gift or gratuity of any sort from any vendor or professional serving the Association (or attempting to obtain business from the Association.) Any member of the Board who receives an unsolicited gift or gratuity must promptly disclose his receipt of the gift or gratuity at a duly convened meeting of the Board. The Board of Directors shall then decide on the public record whether the member should return the gift, turn it over to the Association, or, if the gift is of innocuous consequence or nominal value, keep the gift. This prohibition does not cover situations where members of the Board meet with a vendor or professional to discuss business matters of the Association at times when it would be ordinary to eat breakfast, lunch or dinner and the vendor or professional pays for the meal. Such circumstances shall be considered ordinary and acceptable acts of professional courtesy on the part of the vendor or professional.

## **IV. COMMUNITY VISION AND MISSION STATEMENT**

The following represents the vision and mission statement adopted by the Board of Directors:

### VISION STATEMENT:

The Board of Directors, an elected body of volunteers of Tanyard Springs Homeowners Association, Inc., embrace community trusteeship, bringing a high degree of community involvement, sense of ownership, property values, responsibility for our future and pride.

The Association commits to:

- Provide leadership;
- Provide the services and amenities most wanted by its members;
- Maintain its facilities in excellent condition;
- Prudently and efficiently manage its community assets and resources;
- Maintain and enhance community and property values;
- Provide effective two-way communication throughout the community;
- Promote a harmonious relationship between the Tanyard Springs HOA community and the Anne Arundel County;
- Promote friendliness, respect, cooperation and understanding throughout the community;
- Establish an annual and long range planning process.

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## RESOLUTIONS ACTION RECORD

Resolution Type ADMINISTRATIVE No. 2013 - 3

Pertaining to: Board of Directors Code of Conduct

Duly adopted at a meeting of the Board of Directors of Tanyard Springs HOA, held February 13, 2013.

Motion by: Luke Seconded by: Leslie

Officer	Title	Yes	No	Abstain	Absent
Jon Rober	President	AM			
Luke Tilbury	Vice President	LT			
Bob Beyer	Treasurer	BB			
Lance Konig	Secretary	K			
Leslie Anne Burks	Director/Liaison	LB			

ATTEST:

  
Secretary

February 13, 2013  
Date

Resolution Effective, February 13, 2013