

Resolution

Brock Point Residential Association, Inc

ADMINISTRATIVE RESOLUTION NUMBER: 2022-09

Relating to Bylaws of Brock Point Residential Association, Inc.

WHEREAS, the Association has Bylaws of Brock Point Residential Association, Inc.;
and

WHEREAS, Article VII Section 7.03 of the Bylaws of Brock Point Residential Association, Inc. ("Bylaws") states that the Board of Directors shall have the sole right, power and authority, without the consent or approval of the Members, to alter, amend or repeal said Bylaws; and

WHEREAS, Article III Section 3.02 of the Bylaws state the make-up of Board of Directors ("Board"), provides terms for first Board as well as terms in future year, qualifications for serving on the Board and termination process; and

WHEREAS, Article III Section 3.03 of the Bylaws details the Election, Removal and Replacement of Directors describes requirements for members to be elected, nominated, removed and replaced; and

WHEREAS, Article III Section 3.04, 3.05, 3.06, 3.09 and 3.14 of the Bylaws details the Annual, Board of Directors and Special meetings fully coordinated by the Board; and

WHEREAS, Article III Section 3.08 of the Bylaws describes the manner of acting by the Board; and

WHEREAS, Article III Section 3.12 of the Bylaws describes the Committee formation and makeup; and

WHEREAS, Article IV section 4.01 of the Bylaws describes Principal Officers; and

WHEREAS, the Board has determined it is necessary to create reasonable and clarifying statements for the enforcement of the Bylaws;

NOW, THEREFORE, BE IT RESOLVED that the Board will enhance the Bylaws with the following items:

Article III Section 3.02 of the Bylaws:

1. Only one (1) member of a household can be on the Board.
2. If you resign or are removed by the Members of the association from the Board, you cannot be appointed, nominated or elected to the Board for term of twelve (12) months.
3. If a board member is removed by the Members of the association for cause they can not serve again.

Article III Section 3.03 of the Bylaws:

1. Each member of the Board must agree, sign and adhere to the Code of Ethics upon nomination to or elected to the Board.

Article III Section 3.04, 3.05, 3.06, 3.09 and 3.14 of the Bylaws:

1. To address the Board, a formal request needs to be sent to the Board's email address requesting time to meet with the Board to discuss the request. The Board will deliberate in Executive Session and send a response to the homeowner via email.
2. If you have a question for the Board, you can submit those questions to the Board's email address and it will be answered via email. If it is a topic that needs public response as determined by the Board, it needs to be brought up at the annual meeting or special meeting depending on the urgency.
3. Meeting minutes from the Board of Directors' meetings will be posted as soon as possible after the conclusion of the meeting, these will be posted to the website and send through email.
4. Meeting minutes from the Board of Directors' executive sessions will not be published and are to be confidential to the Board of Directors only.

Article III Section 3.08

1. Emails between Board and Committee members are always to be kept confidential and not to be shared either verbally or written.
2. Brock Point Homeowners are the only participants allowed on committees, except in situations in which outside professionals provide their expert opinion on requests relevant to their field of expertise.
3. Brock Point Homeowners are the only members allowed on the HOA Board Facebook page.
4. Board members cannot and will not comment on any Facebook page not managed by the Brock Point Board of Directors to provide board direction or comments on behalf of the board.

Article III Section 3.12

1. Each Committee may only have one (1) Board member that is an official member of that committee.

2. The single Board member that is an official member of the Committee can not serve as the Committee Chair.
3. The single Board member that is an official member of the Committee has full voting rights.

Article IV Section 4.01

1. In additional to the restriction already included in section 4.01, stating the same person cannot be both President and Secretary, any number of offices may be held by the same person, except the offices of President and Treasurer.

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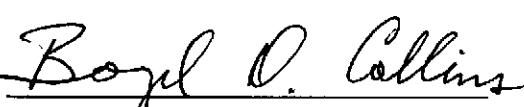
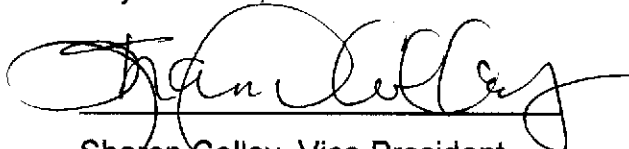
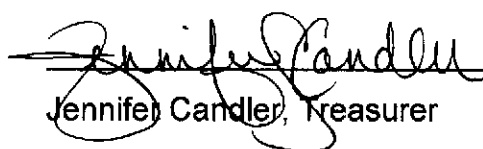
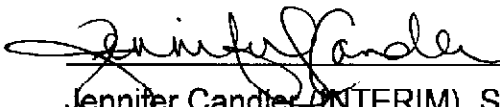
Brock Point Residential Association, Inc.
RESOLUTION ACTION RECORD

Resolution Type: Policy No. 2022-09

Pertaining to: Bylaws of Brock Point Residential Association, Inc.

Duly adopted at a meeting of the Board of Directors held: September 20, 2022

Motion by: Michael Kehres Seconded by: Boyd Collins

	VOTE:			
	YES	NO	ABSTAIN	ABSENT
 Michael Kehres, President	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
 Boyd Collins, Vice President	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
 Sharon Colley, Vice President	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
 Jennifer Candler, Treasurer	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
 Jennifer Candler (INTERIM), Secretary	<u> </u>	<u> </u>	<u> X </u>	<u> </u>

ATTEST:


Jennifer Candler, Secretary

9/25/22
Date

FILE:

Resolution effective date: September 25, 2022

Policy Resolutions

It has often been said that homeowners associations have their own version of the “Three R’s”: Rules, Regulations, and Resolutions. More often than not, the policies of a particular HOA lie at the heart of conflicts and contention experienced by homeowners, Boards, and managers alike. Resolutions are the most formal way, aside from modifying the recorded documents, that an association can enact procedures for governance.

According to the Community Associations Institute (CAI), a resolution is a formalization of a Board decision. It follows a set format and is formally adopted by the Board. While there are several types of resolutions, including general resolutions, administrative resolutions, and special resolutions, policy resolutions have the most potential to impact homeowners. Policy resolutions directly affect the rights and responsibilities of each homeowner within the HOA. Some examples include the following:

- Resolutions regarding the use of individual lots. Restricting the right of an owner to run a business out of the home, for example.**
- Resolutions regarding the appearance of individual lots. Architectural guidelines or standards of appearance.**
- Resolutions setting forth rule enforcement procedures. For example, the number of warnings owners receive, or when a fine is to be assessed.**

Anyone who has read through the governing documents of an HOA (Articles, Covenants, and Bylaws) will probably note that they are fairly general in nature. Although the covenants lay out the obligations of the HOA and the homeowner, and the bylaws lay out regulations for administration, specific policies and procedures would not normally be found in either one. This is not an oversight. Governing documents are designed so that the HOA can create customized policies that meet the needs of that community at any given time. The covenants usually give the Board of Directors the right to create rules and regulations, including policy resolutions, and to revisit these rules if they find that they no longer fit the community’s needs. A resolution is needed when the governing documents are unclear on a specific issue.

Why a resolution, and not just another rule? Boards may find it easier to simply adopt rules via a motion at a meeting, but there are several benefits of using the formal resolution process. The process is systematic and thorough. It requires that the governing documents be reviewed, and it can protect homeowners and the association from rules that are seen as arbitrary and may be difficult or impossible to enforce. Policy resolutions are carefully crafted and well thought out, and Boards are encouraged to seek homeowner input prior to enacting a policy resolution. Formal resolutions are consistent in format and wording, and provide an official, documented record of the rules.

Resolutions follow a standardized format and use specific wording. According to CAI resolutions should include each of the following four sections:

- **Authority.** This section details the Board's authority to enact the resolution. Most often this authority comes directly from the covenants or bylaws. For example, "WHEREAS, Article X of the covenants gives the Board of Directors the power to adopt rules and regulations..." The complete authority would be quoted directly from the documents.
- **Purpose.** This section expresses the reason for adopting the policy. For example, "WHEREAS, there is a need adopt a specific pet policy..."
- **Scope and Intent.** This section details who the rule will apply to, for what period of time the rule will remain, the extent of the rule, what the penalties are, and other specific ramifications. There may be several paragraphs in the resolution that address the scope and intent, each beginning with "WHEREAS..."
- **Specifications.** The first three sections of the resolution provide a basis for the specifications. The specifications tell those affected by the rule what they are to do. Put simply, specifications are the rules themselves. This section states something similar to "NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors hereby adopts the following pet policy..." It will go on to state all of the specific rules.

Resolutions can usually be adopted by a vote of the Board of Directors without homeowner consent. However, a conscientious Board would be well advised to seek the opinion of homeowners through open meetings or surveys, and perhaps create an ad hoc committee to provide recommendations. Some governing documents may provide that a certain percentage of the homeowners must vote to adopt the resolution, so Boards should check their community's

individual documents carefully before seeking to adopt any resolution. After a resolution is adopted, each member of the community should be made aware (most often through a mailing), and a copy of the policy should be placed in the community's book of resolutions. If any exist, handbooks or welcome packages should be updated to reflect the new policy.

Resolutions may be viewed as an alternative to amending the governing documents, but only in a certain sense. It is important to note that a resolution cannot conflict with the governing documents. For example, if the covenants state that each household may have no more than two domestic animals, the Board could not enact a pet policy that allows more than that. Additionally, under no circumstances can a resolution violate a civil statute or law. For example, a policy resolution could not be at odds with the federal Fair Housing Act, and in North Carolina could not contradict the Planned Community Act (for communities developed after 1999). If a Board is seeking to adopt a rule that is in conflict with the governing documents, then those documents must be amended. This is often a difficult, and possibly expensive, process. An overwhelmingly large percentage of the community must usually approve such changes, and an attorney's expertise is necessary.

The success and usefulness of any policy depends greatly upon its need, its acceptance by homeowners, and its enforceability. By using the resolution process, Boards can maintain an air of transparency, fairness, and consistency in their rule-making procedures. By identifying the need for a rule, seeking homeowner input, and using the specific resolution format, the Board can maintain its level of trust and its viability in the eyes of homeowners.

<https://hoa-usa.com/hoa-article/policy-resolutions/>