

REES BROOME, PC

COMMUNITY ASSOCIATIONS NEWSLETTER

Annual Meetings

September 2025

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It's that time of year...yes, Halloween decorations are already on display, but no, we are referring to the fall annual meeting season, which can be difficult to maneuver with all the varying requirements and details of calling and holding an annual membership meeting. The following addresses some of the specific requirements that are commonly fumbled (it is also football season).

Annual Meetings Generally:

Fundamentally, it is important to remember that the annual meeting is not a board meeting, it is a membership meeting. While boards meet more often throughout the year to discuss the business of the association, and these meetings are generally open to members of the association who have an opportunity to comment on matters discussed at the meeting or any association related matter, generally only the board takes actions at board meetings. However, regardless of where your property is located in the DMV area, your association is also required to call at least one membership meeting a year, at which only the requisite vote of the membership may act.

Typically, the main agenda item for annual meetings is for the membership to elect directors to fill any vacancies on the board. However, members can also take other actions at the meeting if the issue is properly before the membership, such as amendments to the condominium instruments or governing documents.

Annual meetings are also a good opportunity for members to hear the reports of the officers, review the association's financial status, discuss issues facing the association, propose new business, learn more about the organization itself, and to socialize with neighbors.

Annual Meeting Notices:

All jurisdictions require that associations give members notice of the annual meeting. However, there are some differences depending on where your property is located. For example, the D.C. Condominium Act requires associations to give at least twenty-one days' notice for annual meetings to their unit owners.

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The Maryland Condominium act requires that notices for annual meetings must be provided at least ten days and not more than ninety days before the scheduled meeting. Although the Maryland Homeowners Association Act does not provide specific notice requirements, the Maryland General Corporation Law (which applies to nonstock corporations such as homeowners' associations) contains the same notice requirement of not less than ten, nor more than ninety days as the Maryland Condominium Act.

In Virginia, there are differing notice requirements for condominium associations and homeowners' associations, pursuant to their respective statutes. The Virginia Property Owners' Association Act states that the notice for an annual meeting must be sent at least fourteen days in advance of the meeting date, and the Virginia Condominium Act requires such notice to be sent at least twenty-one days before the meeting.

Lastly, boards and managers should also review and comply with their association's governing documents or condominium instruments, which may include stricter or additional notice requirements for membership meetings.

Electronic Notices:

D.C., Maryland, and Virginia have similar requirements regarding electronic notices for annual meetings. The D.C. Condominium Act, the Maryland Condominium Act, and the Maryland Homeowners Association Act all provide that an association may provide notice of a meeting to a unit owner by electronic transmission if the board authorizes such methods and the owner provides the association with prior written authorization to provide notice of a meeting by electronic transmission.

While not practically different, the Virginia Condominium Act and the Virginia Property Owners' Association Act provide that notice of a meeting may be sent to an owner by electronic means/e-mail (respectively), provided that the member has consented/elected (respectively) to receive such notice by such methods.

Regardless of the jurisdiction, if your board uses (or is considering using) electronic methods to deliver any association-related materials and information to its members, we recommend that the board adopt a resolution that authorizes and governs the use of electronic notices in compliance with the applicable statute(s).

Virtual Meetings:

All three jurisdictions also permit virtual annual meetings. Condominium and homeowners' associations in Virginia are authorized by statute to hold any association meeting by electronic means, provided that the board has adopted guidelines for such meetings to ensure that persons accessing such meetings are authorized to do so and that persons entitled to participate in such meetings have an opportunity to do so, including a reasonable alternative for any member who requests to participate without use of such electronic means.

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In Maryland both the Condominium Act and the Homeowners Association Act grant boards broad authority to conduct association meetings electronically, as long as members in attendance can hear and be heard by all others participating in the meeting.

Effective May 2025, D.C. condominium associations no longer have to rely on Covid-era emergency legislation, which has been extended by temporary legislation, as the D.C. Condominium Act was permanently amended to permit virtual hearings. Similar to the MD statutes, the D.C. Act grants boards broad authority to conduct association meetings by electronic means provided that any owner in attendance can hear and be heard by, and comprehend what is said by, all other unit owners participating in the meeting.

Quorum:

Before an annual meeting is called to order, there must be a quorum of members or votes present, in person or by proxy. For condominium associations, the quorum count is usually based on the percentage interests assigned to each unit. In homeowners' associations, the quorum count is typically a percentage of the number of lots within the association. Also, annual meeting quorum requirements vary by jurisdiction and association.

In D.C. the Condominium Act defers to the quorum requirement set forth in the condominium instruments provided that it is no less than 25% of the votes, and provides a default quorum of 33% of the votes if the condominium instruments are silent on the matter.

The Maryland Condominium Act creates a default quorum of 25% of the total number of votes, but defers to the association's bylaws (which may call for a lower or higher percentage). The MD HOA Act is silent on matter; however, please also note that in Maryland, condominium and homeowners' associations have the ability to call an additional meeting with a reduced quorum requirement if the quorum is not achieved at the first call of the annual meeting, provided that the association follows the specific procedures provided in the statutes. Essentially, those members present at the additional meeting shall be deemed a quorum.

In Virginia, the Condominium Act sets a default quorum rate of 33% of the votes of the association, but defers to the bylaws; however, it also mandates a minimum quorum of 10% of the votes. The VA POAA is silent but the Virginia Nonstock Corporation Act, which applies to incorporated homeowners' association, states that in the absence of any quorum requirement in the bylaws, members holding 10% of the votes entitled to be cast shall constitute a quorum.

Basically, determining quorum is one of the more association-specific requirements of the annual meeting process. As such, it is important to verify the quorum obligations in order to duly call an annual meeting to order and for any vote taken to constitute an act of the association.

Voting:

Before the mass transition to virtual meetings, annual meetings took place in the association's conference space or clubhouse or reserved conference rooms in public facilities like local libraries. At such in-person meetings, members of an association had two options to vote at an annual meeting: attend the meeting to physically cast their ballot in person or send a proxy holder to do so. In the largely virtual environment, members now have a variety of voting options.

D.C., Maryland, and Virginia all still allow members to vote by proxy, but "in-person" voting has expanded to include electronic voting and submitting ballots electronically. But, there are specific rules/procedures that differ among the three jurisdictions. For example, in DC, boards may authorize unit owners to submit votes electronically for up to 7 days before the meeting. And, in Virginia, if the vote is required to be obtained by secret ballot, the electronic means must protect the identity of the voter or a different method must be used. Lastly, in Maryland, owners who submit their votes electronically must still attend the virtual meeting for their votes to count, while DC and Virginia permit absentee voting.

A note about proxies: a proxy is a person who is appointed and authorized by the member to act on the member's behalf at the membership meeting, whether to cast a vote, establish quorum, or both, in the member's absence. Again, it is important to review the statutes governing your association for any specific proxy requirements. For example, the Virginia Condominium Act requires the proxy form to be dated and to include a brief explanation of the effect of leaving the proxy uninstructed. In D.C., the Condominium Act requires the proxy form to be dated and the signature of the owner to be witnessed by a person who signs his/her full name and address. And, in Maryland proxies must be directed/instructed for the board elections. An association's condominium instruments or governing documents may also regulate or restrict the use of a proxy, such as restrictions on who may serve as a proxy and limits on how many proxies an owner can hold, or specific forms and delivery requirements.

Summary:

While the above summarizes some of the essential elements to successfully call and hold an annual membership meeting, there are a number of other annual meeting procedures that associations must review and comply with, such as the call for candidates, nominations from the floor, inspectors of election (a new statutory requirement in Maryland), and majority versus plurality voting – to name a few. If your association needs assistance in reviewing your annual meeting procedures, please contact one of our Community Association attorneys.