



Board Education Series

Annual, Board, Special, Executive & Emergency Meetings

FAQs on Community Association Meetings

What is an annual meeting?

Community associations are required by law to hold one meeting of their members each year. The major purpose of annual meetings is to let homeowners know about relevant business conducted by the association's board of directors, as well as about other important association matters. These meetings also provide an opportunity for homeowners to be heard, ask questions and discuss issues. Annual meetings are often scheduled to coincide with board member elections. In addition, homeowners generally vote on their annual budget at these meetings.

The board of directors is required to notify homeowners of the annual meeting within a set time period prior to the meeting. The notice must either be mailed to homeowners or conspicuously displayed on the property, and it must include the date, time and location of the meeting. The specific requirements for conducting annual meetings and providing notice will vary based on your association's governing documents and state/provincial statutes.

What is a board meeting?

Every community association is governed by a board of directors elected by the members of the association. The board is required to meet on a regular basis, as outlined in the association's governing documents. Depending on state/provincial laws and the association's governing documents, all association members may attend board meetings. At these meetings, the board discusses items such as the association budget, any new policies or rules being considered, progress reports on capital improvements, committee reports and other association business. This is also an opportunity for members to raise any concerns they may have with a rule or policy or suggest new items for the board to consider in the future.

What is a special meeting?

In between regularly scheduled board meetings, the board may call a special meeting if there are specific problems, concerns or suggestions that come up, or if something happens that isn't usually addressed in your regular meetings. Regardless of the reason a special meeting is called, it can only address the issue that is specified in the meeting notice. If another issue arises during the meeting, it must be tabled until a later time.

Your association's governing documents will determine who is allowed to call a special meeting, when it is appropriate and procedures for notifying your membership and running the meeting. Usually, a homeowner must create a petition stating the reason for the meeting, obtain a required number of signatures and then present that petition to the board. If the meeting request is approved, a special meeting will be held. As with all meetings, advance notice to homeowners is required, but the time frame may be shorter than for other scheduled meetings. As always, follow the rules specified in your governing documents, as well as local laws, and consult your association attorney if you have any questions.

What is an executive (closed) meeting?

If the board needs to discuss a confidential matter, it will hold an executive meeting by closing part of its regular board meeting. Only board members are allowed to attend this closed portion. Topics that may be reserved for an executive meeting include litigation, financial issues concerning an individual homeowner, criminal misconduct investigations and disciplinary matters. The board may not take any action during an executive meeting. This must occur during the open portion of its board meeting.

What is an emergency meeting?

Emergency meetings are held when unforeseen circumstances require immediate attention and possible board action. Although emergency meetings do not require notice, state/provincial laws and association bylaws generally dictate notice requirements.

Basics for HOA Board Meetings

Regardless of how you feel about them, board meetings are more than just something your community association chooses to do. They are something your community association must do. Why? Because your community association operates as a corporation. As such, it must hold regular meetings of its officers and shareholders – in this case, board members and homeowners.

Board meetings are also crucial to the governance of your community association. If they aren't run effectively, chances are your association won't function well either. Poorly run board meetings can make it difficult to achieve your association's goals and can thwart your efforts to recruit new members in the future.

So what can you do to ensure that your board meetings are well run? Whether you're a new member or have been on your board for a number of years, following best practices will help you keep your meetings on track. The following board meeting fundamentals are a good place for any board to start.

1. Hold the appropriate number of board meetings.

What's the right number? Your association's bylaws or the laws in your area may dictate the minimum number of board meetings you need to hold. If not, "it really depends on the size and complexity of your association," says Tim Plunkett, Founder and CEO of Your HOA. "A small association might meet quarterly, whereas a larger one would meet monthly." Anything beyond that would be rare and would only occur if you need to discuss something urgent.

2. Set guidelines for participation.

Board meetings require a quorum – meaning that you can only conduct one if you have the required minimum number of board members in attendance. To maximize participation and ensure you're providing ample notice (per your community's governing documents and local statutes) it's important to send meeting notices to homeowners a specific amount of time in advance, as per your association's governing documents.

Bylaws and statutes dictate who can attend a board meeting. In general, homeowners may attend and speak at open meetings, but you should make sure your governing documents stipulate guidelines for homeowner participation. This will prevent anyone from monopolizing meeting time or derailing the conversation.

In some cases, non-owners – such as family members, vendors, potential homebuyers and other interested parties – may also be allowed to attend meetings. Plunkett believes it's a good idea to allow renters at board meetings. "A renter could become an owner some day," he points out. Plunkett also notes that non-owners can only speak at a meeting if they are there to represent the legal owner. "Otherwise, they are there to observe only."

Closed meetings, or "executive" meetings, are for board members only. Sometimes a board will decide to close a portion of a board meeting to discuss a legal matter or a specific homeowner's financial situation, for instance. Any actions that board members need to take based on the discussion, however, must occur in the open portion of the meeting.

3. Set the agenda.

Having an agenda – and sticking to it – is one of the best ways to ensure board meeting success. Think of your agenda as a meeting road map – a valuable tool to keep participants on topic and facilitate a successful outcome. Your agenda must be publicized in advance of the meeting. For optimal efficiency, you should follow a strict format. The ideal agenda should include opening the meeting, taking roll call, reading the minutes and treasurer's report, and time to make motions and vote, as well as for discussion and questions.

"Any decision the board plans to discuss and vote on needs to be on the agenda," says Plunkett. "If you don't follow the agenda, you open yourself up to challenges from the homeowners." In addition, sticking to an agenda helps keep discussions focused, according to Plunkett. "Going off your agenda can turn a 45-minute meeting into a 2- to 3-hour meeting."

4. Take minutes.

Taking the minutes at each meeting and reading those from the previous session are important aspects of board meeting proceedings. The minutes

provide an official record of your association's meetings, and most bylaws and statutes give homeowners the right to see those records.

The minutes should not be a verbatim transcript of the meeting. Rather, they provide a summary of motions made and actions taken. Although the board secretary is generally responsible for managing the minutes, Plunkett recommends not giving the secretary or even your property manager responsibility for recording them. "Otherwise, they won't be fully engaged in the meeting," explains Plunkett.

5. Follow parliamentary procedure.

Parliamentary procedure establishes rules and methods for running meetings. Although there are different types of parliamentary procedure, the one that is most commonly used is "Robert's Rules of Order," a how-to guide for conducting business in democratically elected organizations. Its enduring popularity is based, in part, on how well it prescribes guidelines and formalizes meeting procedures and conduct. This helps ensure your meetings are fair, inclusive and efficient.

6. Keep it formal.

Aim to keep open meetings no longer than 90 minutes (30 minutes for an executive session), and leave any socializing until your meeting is over. "That requires staying to the agenda and being efficient," says Plunkett.

"Anything longer than that is too long," says Lebrevelec. "It's better to have more meetings if needed because you lose people's attention. They then make decisions just to end the meeting, which means you don't get good decisions."

Even if you're friendly with your fellow board members, remember that the purpose of a board meeting is to conduct business, not to socialize. Gossip, off-topic conversations and other distractions that veer discussions away from association business will prevent you from accomplishing the tasks at hand and ultimately waste everyone's time. In addition, an informal tone can make it challenging for the board to address serious issues. Choose a business-like venue, such as your community meeting room, to hold your meetings. If your community is professionally managed, you may be able to meet in one of the management company's offices or conference rooms.

As a volunteer board member, you know how critical it is to address your community association's needs, keep your operations running smoothly and preserve your property's continued viability. Having effective board meetings is a key part of this.

What is an Annual Meeting?

All HOAs and condo associations are required to hold annual meetings that are open to all association members. Annual meetings are often your association's most important meeting of the year because it's where homeowners are informed and updated about important board business and key association issues, such as finances, the status of current projects and plans for upcoming capital improvements. The annual meeting is also when homeowners have the opportunity to participate in the community's decision making.

What is typically on a condo or HOA annual meeting agenda?

Although every association is different, some of the activities that both condo associations and

HOAs may have on their annual meeting agenda include:

Presentations by the board, its committees and professionals involved in community business like accountants, contractors and vendors

Announcements about staff or management changes

Proposals requiring residents' approval

Approval of the annual budget

Most condo associations and HOAs also carve out space on their annual meeting's agenda for homeowners to participate in open discussions, raise concerns and ask questions about important association business – hopefully, amicably and productively. Having these open forums on the agenda provides a structured way for community members to be heard. Open forums must be well controlled to prevent them from taking the annual meeting off track. Seasoned board members or the community's property manager often apply effective techniques to keep discussions focused and on topic.

Board member elections are another important item on a condo or HOA annual meeting agenda as they are usually conducted to coincide with

annual meetings. Board members are elected by a majority vote of homeowners. Depending on your state or provincial laws and your community's governing documents, you may have the option of voting in person at the annual meeting, electronically, by mail or by naming a proxy (an individual named by the homeowner to cast a vote on their behalf). With several options, there's no reason not to make your vote count!

Who can attend an annual meeting?

Annual meetings are open, meaning all owners (and shareholders) can (and should!) attend and vote. In addition, homeowners' legal guardians, trustees, personal representatives and those with power of attorney may attend and vote on behalf of the homeowner. Beyond that, each community's attendance rules and requirements are defined by its governing documents and state or provincial statutes. This means that attendance by non-owners, such as tenants, potential homebuyers and proxies may vary.

What about vendors, attorneys and other professionals?

Although they may be invited to attend specific meetings to provide information or make presentations to homeowners, your association can restrict their attendance otherwise.

Do board member elections require a quorum?

When it comes to electing board members or voting to approve policy changes, bylaws or state/provincial statutes usually require associations to obtain a quorum – a specified number or percentage of homeowners or their proxies present to vote.

Do annual meetings have notification requirements?

Associations must provide homeowners with advance notice of their annual meeting, including the date, time and location of the meeting, as well as the agenda. How far in advance and the method by which notices must be delivered to homeowners varies and will be specified in your association's governing documents and in your state or provincial statutes. Generally, associations are required to deliver notices by postal mail or personally, many communities are also permitted to deliver them electronically. Most communities will also post notices in common areas.

Special Meetings

What is a special meeting?

Special meetings are unscheduled meetings that may be called to handle a specific issue or problem that cannot wait for a regularly scheduled meeting or that is important enough to require an entire meeting by itself. Special meetings must be focused on a single issue. Any other issues that arise are not open to discussion at the special meeting.

Do condo and HOA special meetings require advance notice?

As with other meetings, the board is required to send everyone in the condo association or HOA a special meeting notice. Again, the specifics of that notice (timeframe, content and method of delivery) are determined by state/provincial statutes and your association's bylaws, but it should always include the date, time and location of the meeting and the issue to be discussed.

Who can request a special meeting?

In most cases, a board member will call for a special meeting, but most associations also allow homeowners to petition for them. Your bylaws will spell out the requirements, such as the number or percentage of homeowner signatures you must obtain and the process for presenting the petition to the board. If you meet all requirements, the board must hold the meeting.

Annual meetings and special meetings are both necessary and integral parts of governing an association – and valuable ways to ensure smooth operations, enhance the lifestyle of residents, and position your community for success. And, of course, they provide great opportunities for open communication between residents and board members. Are you a board member? Learn how you can communicate better with residents. Download our guide, *How to Improve Communication in Your Community*, today!

Preparation Procedures:

When getting ready for an annual meeting, the following is a general list of the complete procedures.

Annual Meeting Agenda: Must Be Approved by the Board

Notice of Meeting Letter: Mailed at least 30 days prior to the meeting and must include:

- Annual Meeting Letter (includes summary agenda)
- Proxy
- Nomination Form
- Ballot (for online only meetings)

Once the meeting Notice Letter is mailed, and the Agenda is ready, it is time to prepare "The BOX".

The "BOX" is the black box we use to make sure we have everything for the meeting that we need. This is what is included in the "BOX".

1. Quorum Information (10%, 15%, etc.)
2. Codes and Covenants (binder copy)
3. Bylaws (binder copy)
4. Annual Budget Draft (based on previous year)
5. Homeowner Agendas (enough for quorum)
6. Board Agendas (enough for board and management)
7. Department Reports (as necessary according to Agenda)
8. Nomination Forms (10)
9. Entrance Sign (Sign with the name of the community)
10. Ballots (Ballots with Board/nominees names)
11. Rules and Regulations (enough for quorum)
12. Roster List (with ineligible homeowners greyed out)
13. Proxy Forms (proxies that have been received prior)
14. Pens (enough for quorum)

Other items might be needed as well depending on what the Agenda (or the board) requests.

To learn more, or to access other documents, please visit: www.yourhoahelp.com/board-members