

TAKE TIME FOR MINUTES

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Keeping minutes of each meeting of the Board of Directors and the membership of your Association is essential for a number of reasons. It is sometimes difficult to find a qualified volunteer to undertake this task, but when you consider their importance to the Association and the individual directors, it should be obvious that it is a job that is worth doing and doing well.

The minutes of the meetings will serve as a history of the discussions that took place and the decisions that were made by the board and the membership. Minutes are therefore very useful to future boards and will eliminate the pursuit of unworthy ideas that have previously been considered and rejected thereby reducing duplication of effort. It is also very useful for new board members to review the past year's minutes as a way of acquainting themselves with how business is conducted and the current status of the Association's business affairs. Further, the minutes are a legal document and will serve to make a record of decisions made by the Board of Directors such as approval of contracts, adoption of budgets, instructions to management, etc. As such, they are critical for liability purposes. Lastly, not all decisions of the Board of Directors will be unanimous; under Michigan law, a dissenting director has a right to require that the minutes accurately reflect the identity of the dissenter(s).

It is not necessary or desirable to have a verbatim record of everything that was said at a meeting and in fact, that would prove to be impossible even if you attempt to tape record meetings. Tape recordings tend to be of poor quality and it is often difficult to identify the speakers when it comes time to type up the minutes from the tapes. Instead, minutes can be quickly organized by using the meeting's agenda as an outline. Motions and votes should be highlighted and the minutes should reflect who made the motions, seconded them and as mentioned above, who voted "yes" or "no" on a given proposal.

Many times people express concerns about having confidential discussions appear in the minutes. If you are truly discussing something that is privileged, the board should retire into executive session and keep separate minutes of the executive session which will then be sequestered and not available for general review. Even so, common sense should be exercised with respect to what will be included in the written record. Many co-owners have the mistaken notion that condominium associations are governed by the Open Meetings Act however, that is not the case. That law does not apply to private association meetings such as your board meetings or membership meetings.

One of the first chores at each meeting is to read and approve the minutes of the preceding meeting. Try to avoid getting bogged down in minutia in the course of approving minutes but do take care to see to it that the minutes accurately reflect the business that was conducted at the meeting. Each director should keep a ring binder of minutes in chronological order and it is wise to consider creating a topical index to make it easier to research past decisions. As the board makes decisions establishing operating policies/procedures, it is wise to put them into a separate book since they tend not to be changed very frequently once they are established. Again, they can be organized more usefully by topic.

Let's take a closer look at what should be in the minutes. First, identify the date, time and type of meeting (board or membership, regular or special). List all directors present and note whether any absent directors were excused. It is also customary to identify guests attending board meetings. Note that proper notice was given or waived (refer to your Bylaws for notice requirements). Directors who are

absent can later join by signing the minutes of the meeting they did not attend. A simple agenda will help structure the meeting and therefore the minutes:

- I. Call to Order
- II. Proof of Notice
- III. Quorum
- IV. Reading and Approval of Minutes of Preceding Meeting
- V. Old Business
- VI. New Business
- VII. Adjournment.

The first two items are usually non-controversial. When the preceding minutes are submitted for approval, any objections should be submitted in the form of a motion for revision of the minutes. If there is no second the motion fails; if there is, a vote is taken to decide whether or not the minutes will be revised. Many objections can be avoided by sticking to the facts of the business that was transacted and voiding editorializing. If an item of old business cannot be disposed of, the minutes should reflect what is being done to advance it toward conclusion. A wise chairman will limit new business to the proper scope of the board's authority and keep the meeting moving along. There is seldom a reason for a condominium board meeting to run much over two hours in duration. If you find that your meetings regularly extend beyond two hours, it may mean that your meetings are not well organized or controlled or may mean that you are not meeting as often as is necessary to deal with the press of the Association's business. Keeping them a reasonable length helps assure that the minutes will be complete.

It is very important that all motions be noted regardless of which agenda item may be involved. Be sure the minutes specifically reflect motions concerning approvals of expenditures and authorizations to execute contracts on behalf of the Association. Since a good deal of any meeting is often devoted to reports and discussions, it is generally appropriate to simply mention that a report was made and received rather than attempting to cover its content in detail in the minutes. Similarly, there is usually no need to extensively describe the discussion that took place.

Copies of the minutes should generally be provided to your managing agent if you have one as well as your legal counsel. This will help both of them do a better job of protecting the Association's interests. It is generally unadvisable to insist that the property manager take the minutes for the board as that is more properly the function of the secretary elected by the board members. The official minute book is of course corporate property belonging to the Association and must be surrendered when a secretary leaves office.

Keeping minutes is not a particularly glamorous job but it is a very important one from just about everybody's point of view. It is worthwhile to take the time to efficiently record the business transacted at meetings, not to mention a legal necessity.