

MINUTES MADE:

A Discussion of Meeting Minutes for Community Associations

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Functioning as a corporation pursuant to the Illinois Not-for profit Corporation Act, condominium associations are required to adhere to certain formalities. One of the primary requirements is that boards of directors conduct at least four open meetings per year and report the business conducted in those meetings through meeting minutes. The minutes for the immediately prior seven years must be retained by the Association. The purpose of this article is to address the importance of meeting minutes and helpful hints on preparing good quality minutes.

First, meeting minutes are important to evidence the fact that open meetings have taken place and that business affecting the association was discussed by the board in open forum before the unit owners. Secondly, the minutes reflect the business of the board, including its thought process and decisions. For example, when an association considers undertaking a substantial capital improvement, it is important that minutes reflect the various stages of decision making such as why the improvement is being undertaken, how the contractors are chosen, and how the project will be funded. Third, meeting minutes must be an objective representation of the meeting and contain enough information so that third persons who did not attend the meetings are sufficiently informed about all of the business conducted at each meeting. Obviously certain meetings encompass more business than others, but the format of the minutes should always be the same.

Minutes Format

Meeting minutes should contain substantially the same format for each meeting. Further, this format should be carried on year after year for the purpose of continuity. Minutes should contain the date and location of the meeting, the time the meeting was called to order, a statement that a quorum was present, a roll call of the directors who are and are not present, the name of the person who called the meeting to order and then a narrative of the business conducted at the meeting. Like the notice for the meeting, the minutes should be subdivided into various categories of business, and it is helpful to provide headings for the different topics.

The narratives should be succinct and objective. A rambling narrative is often confusing, contains extemporaneous information, and includes subjective remarks which do not necessarily reflect the collective opinion of the board. If your association has committees, there should be headings for each committee and acknowledgment regarding any reports made. If motions are made during the course of the meeting, the minutes should reflect the precise nature of the motion and list the individual who made the motion. Although not required, it is advisable to also list the name of the individual who seconded the motion, and reflect the roll call vote that was taken. This format should also be followed when a vote is taken on matters that were discussed in a closed portion of the meeting. In order to avoid confusion, the full names of the individuals should always be reflected. One should always remember that minutes taken today may need to be viewed, reviewed and relied on three or four years from now; and that the directors conducting that meeting may no longer be on the board and may no longer be available.

Minutes Content

As previously stated, content should be succinct and accurately and objectively reflect the business conducted at the meeting. It is important that all business conducted at the meeting be reported and not left out or edited out. The purpose of the minutes is to reflect the fact that the board addressed matters consistent with their obligation and employed business judgment in reaching their decisions. The content also needs to reflect procedure. For example, if a board member arrives halfway through the meeting, that should be noted; or if a board member participates by speakerphone and is not personally present, that should also be noted.

Meeting minutes must be comprehensive; however there are caveats to this rule. Specifically, the details of a closed portion of a meeting should not be reflected in the general meeting minutes except to acknowledge ratification of the decisions made in the closed portion of the meeting. As stated before, roll call votes should reflect the mover, second and vote of each director. Moreover, a board of directors must not keep a set of minutes for closed portions of the meeting. These closed portions are for the purpose of discussing privileged matters such as employee issues, rule violations or pending litigation, and as such that information must remain confidential in order to preserve the privilege. Consistency is important and only the vote should be contained in the minutes.

Minute Approval

Succinct, objective and well organized minutes will greatly facilitate final approval. Generally, after roll call is taken, the first order of business is to approve the minutes of the prior meeting. The board should not let more than one meeting pass before approving minutes of the prior meeting. The board should be cautioned on tinkering or revising content; and as long as the minutes accurately reflect the business, they should be approved. Further, the board should also be cautioned on trying to delete the reporting of discussions or votes which some may perceive as negative. Full reporting is the requirement. Usually, it is best to have the same person drafting the minutes. Regardless of who takes the minutes, the secretary is responsible for the preparation of the minutes and must sign them. The minutes are then approved at the next meeting of the Board.

Conclusion

Open meeting minutes are not only a legal requirement, but are extremely important in reflecting that the board is properly undertaking the business of the association. Also, since open meetings rarely attract significant owner participation, it is the only way most owners are informed about the business of the association. Lastly, meeting minutes are extremely important to memorialize the board's business activity since past action is often relied upon to determine future actions.