

Suite 500
440 West Randolph Street
Chicago, Illinois 60606
Telephone 312.651.2400
Facsimile 312.651.2499

April 7, 2015

Suite A
400 South Knoll Street
Wheaton, Illinois 60187
Telephone 630.668.5050

David R. Buetow
Direct 312.651.2405
dbuetow@firltd.com

NUTS AND BOLTS OF MEETING MINUTES

Meeting Minutes

Proper meeting minutes are an essential ingredient of a well-run Association.

First, they help preserve the corporate formality of the Association. Second, they can be reviewed once requested by a given unit owner (the types of records produced and nature of that request being beyond the scope of this article) and third, they reflect the fundamental operation of the Association by virtue of motion passage and serve as the record for the same. In no other way can a record of the operation of the entity itself be established.

Meeting minutes are not the place for a novella on the meeting operation, drama or tone. They are a mechanical description of what occurred. They should be short and sweet, and not the place for descriptive prose. Moreover, they should be kept in centralized repository like a binder or corporate meeting minute book in chronological order with the meeting agenda attached. This creates a chronological, clean and “easy on the eyes” reference.

What, then, must be included in the minutes?

Meeting Opening and Start Time, and Quorums

Each set of meeting minutes should record the meeting start time, the presence of a quorum, and a notation as to who is present (i.e., Board members, property managers, vendors, Association counsel). Most often, a meeting will open with the reading and adoption of the minutes from the prior meeting; this is a giant incentive to keep those minutes short and to the point such that the audience and participants are not asleep before the first agenda items of the meeting are even addressed. Once those meeting minutes are read, a motion to approve those minutes should be offered, then seconded, and then voted upon. Its passage should be one of the first entries in the current meeting minutes.

Meeting Parrots Agenda

A meeting, regardless of whether of owners or of the Board, should parrot the agenda for the meeting as this will create a unified set of records for easy reference. Most importantly, however, a streamlined agenda that is synonymous with the minutes shows a well-run Association that is much easier to defend if need be. Therefore, try to remain on point and address the items on the agenda in order in the minutes themselves.

Operation

The meeting minutes will most often be a method to show how the Board acted upon a certain topic, and, therefore, the minutes should reflect crystal clear motions to do a certain item, a second of that motion, a vote, and the outcome of that vote. After that, the minutes should reflect the motion passage or denial and the vote count. Do not include floor debate in the minutes; the minutes are there to tell the mechanical story of the Board and Association, not a summary that would rival a short story. However, do note if a Board member leaves or arrives late, as the presence or absence of the same can have implications in Board operation. Moreover, do not entertain another motion while one is on the floor or has yet to be reflected in the minutes. Be deliberate, do one thing at a time and consider your writing an extemporaneous outline that someone can read and understand later – and who can do so quickly.

What to Omit

We have already discussed resisting the temptation to editorialize the minutes. However, there are other items that should be omitted as a rule, among which are private or executive session discussions with counsel and certain types of records and information considered confidential by the ICPA. It is imperative to omit a private or executive session discussion with counsel, as that could be used offensively by an adverse party later on to fuel an argument that the Board waived attorney-client privilege on a given issue.

Executive Session

When Boards meet amongst themselves in “Closed” or “Executive” session it is not appropriate to pass motions, but matters that are later passed upon in open Board meetings may be discussed. For this reason, best practice would include an antiseptic description of what was discussed in Executive Session (for example, one that does not discuss privileged matters or confidential information) and a bland motion referring to whatever was discussed reflected as passed in an open Board meeting minute passage. In this way, privileged or confidential information can remain sacrosanct but the Board can still operate as a going concern in the manner anticipated by the ICPA.

Conclusion

Best practice is to keep meeting minutes short and devoted to the nuts and bolts of the Association operation. Remember that someone may need to read, understand and pull information on what occurred during that meeting later on to either sustain or challenge the activity set forth therein. Moreover, meeting minutes are a key ingredient of corporate formality. As always, if you have questions or want a checkup on your meeting minute practices, consult your Association counsel, or dive into an ACTHA seminar or webinar that can more fully explain the key ingredients of quality meeting minutes.