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HOA Meeting Minutes

To know where you're going, you have to know where you've been. This famous saying is all too applicable to HOAs where institutional memory can be as short as the terms of board members and boards can unwittingly address the same issues over and over again. Perhaps the most important thing to understand about keeping proper minutes is that minutes are the record of the official actions taken by the board or the members and that an official action requires a vote.

What should minutes look like?

Anyone reading the minutes should be able to easily understand, at a minimum, what actions were taken and how they were approved. There is no hard and fast rule regarding the level of detail to be included in minutes, **but minutes should reflect what was done, not what was said.** Minutes should not record every detail or statement said at the meeting and they should not reflect conversations. However, there should be enough information to make the minutes useful when they are used for reference or offered as evidence that an action was properly taken or that directors fulfilled their fiduciary duties. Boards and secretaries tasked with recording or approving the minutes must understand the purpose and eventual use of minutes, and then use their best judgment about the degree of specificity provided in the minutes.

Boards should also be mindful of how they handle confidential or sensitive information. For example, if the board holds an executive session to discuss confidential or sensitive matters, the minutes of the meeting should indicate that the board met in executive session and the topic of the discussion, but the specifics would likely be confidential and appear only in a set of confidential-to-the-board minutes or other notes. A separate recordkeeping system should be established for such confidential information to easily distinguish it from records that a member would otherwise be entitled to view.

What should minutes not look like?

Minutes should not record discussions or contain owner comments and should never be a transcript of every statement made by directors and others. Doing so creates potential defamation claims, becomes evidence for other claims against the board and the association, and can dissuade potential purchasers and lenders who may believe that a negative issue is much more serious than it really is. Minutes should reflect decisions and reasons for those decisions, not discussions or specific conversations.

At a minimum, board meeting minutes should include:

- Name of the association (always use the exact legal name).
- Date, time, location and type of meeting (regular, special, emergency, executive session).
- Names of directors in attendance and directors not in attendance, including the office they hold, if any (president, secretary, etc.), and names of guests in attendance who were invited to speak to the Board (contractors, attorney, accountant, etc.). **Members in attendance should not be listed.**
- Whether a quorum was established.
- Any board actions (e.g., approvals, delegations of authority, directives). It's not necessary to show the names of those voting in favor, abstaining and in opposition to a motion, but it's sometimes not a bad idea, especially to show those dissenting, in order to limit personal liability for the consequences of an action they disagree with. Also include any actions (decisions, votes) taken between meetings and include details documenting that proper procedure was followed.
- General description of matters discussed in executive session.

Additional Suggestions:

- Include alternatives considered for important decisions to show diligence and reasonable care.
- Consider attaching reports given to the board (so long as they may not be misconstrued to be prejudicial to the organization or to the board).
- Record recusals from discussions and abstentions from voting;
- Prepare a list of action items separate from the minutes, what people commit to do.
- It's crucial that minutes are prepared so as to document actions of the board now but without creating problems in the future. Additionally, with the turnover experienced in association boards, it is critical to have good, complete but concise minutes so that future boards do not find themselves "reinventing the wheel" on issues that have already been addressed.

Source:

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