

THE COMMUNITY BUILDER

Quorum--- Make It or Do Over

Quorum \KWOR-uhm\, noun:

1. The number of members of a group or organization required to be present to transact business legally, usually a majority.
2. A minimum number of members in an assembly, society, board of directors, etc., required to be present before any valid business can be transacted.

How many times have we gone to a meeting, whether it is an Annual Meeting requiring the presence of members or a board meeting, and not been sure that the number of people required to legally hold the meeting would be there? I know I have gone to many. It is extremely disappointing to those who have made the effort to know there are many who do not care enough to either attend, or in states where proxies can be used, to simply execute and send back their proxy.

The quorum of a meeting for members is set in your documents, or may be adjusted by statute. Generally, 51% is required in condominiums and sometimes a lesser number in homeowners associations.

Quorum can be a tricky thing. In many states, when owners are delinquent, they are not eligible to vote. Then the question becomes, what is quorum? If the delinquent owner is not eligible, does the number of "members" become smaller and therefore the number of members required for quorum also becomes smaller? In many cases, the answer is yes.

Quorum of a Board is always a majority of the number of members that are required to be on the board. If the documents have a range, and the number determined correctly for that year is, say, 5 then quorum is 3. If for instance the number of board members is specified in the documents as 5, and there have been some resignations and the Board is down to 2 members, a quorum is not met. A quorum is always a majority of the number specified. With the latter example, the board cannot legally transact any business and their first act should



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be to, if the documents provide for this action, appoint additional board members or hold an election to fill the other positions until the full complement is reached.

In the annual meeting situation, at the very least, a second attempt should be made at achieving the required number of members present to transact business. I have been to many meetings when quorum was not achieved and the owners present have used the time for an informal discussion on issues and topics of concern. It can still be constructive time.

All meetings should be held in compliance with the guidelines of both your documents and any applicable state statutes. Elections or actions taken when a meeting is not legally constituted can expose the association and board members to unwanted legal problems, should issues or questions arise at a later date. If there are ever questions about the propriety or impropriety of the process, the association's legal counsel should be consulted.

