

THE COMMUNITY BUILDER

More Than Just a Meeting... Your Annual Members Meeting

The Annual Meeting or Annual Members Meeting is a meeting that is required by law for every corporate entity. Even though your association may be organized as a "not-for-profit" or a "non-profit" corporation, all of them are governed by the Not for Profit Corporate Act of your particular state. All meetings require a quorum to be present whether it is owners in person or via proxy. The exception to the proxy rule is Arizona, where all members must be present to create a quorum.

Most of the time, it is at the Annual Meeting that a new board or new board members are elected by the membership. It is extraordinarily important the guidelines established in the Bylaws or statute or not-for-profit corporate act are followed when noticing this meeting, when convening the meeting or when casting and tabulating the ballots. Technical issues are most often the delta that can cause your meeting to be invalid and require a do-over (added expense) or worse, nullify any actions taken by the newly seated board.

Last week I met with a great group of owners who serve on the Board of their association who are already planning their meeting. They are contemplating a number of amendments for their Association that requires a vote of the members in addition to the election of directors. As we were putting together the plan for their meeting, the question came up: Who makes the motion to approve the minutes of the last annual meeting? In prior years, the Minutes had actually been approved at the next Board meeting. What? The Minutes should be held until the next year's Annual Meeting and are approved by the membership.

An Annual Meeting is a meeting where the Directors do not control as a Board. Individually, they act as any other owner would in casting their vote on the issues and for the election of any new directors, but an Annual meeting is not the same as a Board meeting. Most frequently, the President will act as the Chairperson of the meeting. However, there are circumstances where the membership may nominate and appoint a Chairperson for the meeting from among the membership. The Chair would then go through the agenda, and act on the agenda items as they come up. If the agenda calls for Officers reports, it is



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appropriate for noted Officer to present their report, i.e. President's report or Treasurer's report or any other Committee reports chaired by a Board member.

Pre-meeting preparation may include preliminary remarks by the chairman prior to formally starting the meeting. This is helpful particularly when unusual or complicated business is to come before the meeting. In such preliminary remarks, the presiding officer can explain what business is expected at the meeting, the manner by which a member can be recognized to speak at the meeting and at what point each item of business may properly be brought before the meeting.

As this is a members meeting, when the Minutes are presented to the membership for approval, it is appropriate for a member in attendance to make the motion to accept as presented and another to make the second. A voice vote for all in favor is also appropriate.

