



TOWNE PROPERTIES

BOARD AND COMMITTEE OPERATIONS

The Board of Directors: A Brief Overview of Roles and Responsibilities

The Board of Directors protects property values, maintains common property, and enforces the governing documents. The Board's authority should be clarified in the association's governing documents. Fiduciary duty requires the Board of directors to act in the community's best interest.

Officer Roles and Responsibilities

While association members elect board members, officers are elected by their fellow board members. Specific functions and tasks for each board member should be spelled out in the Board's governing documents. In general, the officers are responsible for the following roles.

The president:

- Oversees operations, directs policy development, and conducts meetings.
- Speaks for the Board and is the voice of the association.
- Manages relationships with volunteers, the association management team, and other professionals.

The vice president:

- Supports the president.
- Assumes presidential duties when the president is absent.
- Heads up committees.

The treasurer:

- Prepares the budget, presents to the board for consideration/approval.
- Reports monthly on the financials to the Board.
- Review the reserve study, financial records, and audits.

The secretary:

- Records minutes.
- Maintains association records.
- Manages correspondence.
- Maintains elective/community directories.
- Announces meetings.

The member at large:

- Supports the Board.
- Acts as a liaison between the Board and the membership.
- Other duties as determined by the Board.

As a board member, you should be informed about what your role entails so that you can fulfill your duties as assigned. Likewise, board members need to respect

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the boundaries of each position to maintain positive community relations, orderly vendor relations, board harmony, and overall organization.

BOARD ROLES & RESPONSIBILITIES

The role of the Board as a whole is to:

- Always act in the association's best interests (fiduciary duty).
- Be responsive to homeowner needs and desires.
- Be familiar with the community's governing documents, state statutes, and federal laws that impact the association.
- Establish and enforce the governing documents fairly and uniformly.
- Set the community association's policies, standards, procedures, programs, and budgets.

Areas of responsibility for the Board include:

- Care, maintenance, and enhancement of the physical property, common areas, and facilities.
- Management of community finances and reserve funds.
- Risk management, including obtaining insurance.
- Establishment, enforcement, and interpretation of rules and regulations.
- Maintaining homeowner privacy in matters regarding the association.
- Preservation and promotion of community harmony.

Board members have a right to:

- Expect homeowners to meet their financial obligations to the community.
- Expect residents to know and comply with the rules and regulations of the community.
- Expect respectful and honest treatment from residents.
- Conduct meetings in a positive and constructive atmosphere.
- Receive support and constructive input from owners and residents.
- Enjoy personal privacy at home and during leisure time in the community.



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Management of Board and Committee Meetings

Board members should expect to meet regularly to discuss the association's business. State law and your governing documents will dictate how Board and committee meetings are run. Community expectations may also influence board meeting frequency and format.

The three types of meetings:

- Regular Board Meetings – This type of meeting is for the board to conduct business. Some documents require regular meetings to be open to the ownership, while others may be silent and are not required to be open. If a meeting is open, all comments/questions from the owners must wait until the President invites the forum.
- Owners Meeting – This type of meeting is held annually for the purpose of electing the Board but may also be held for a specific purpose such as proposing a special assessment or amending the documents.
- Executive Meeting – This type of meeting is closed/confidential and held to discuss legal, collections, enforcement, contract negotiations, and personnel matters.

All meetings must meet quorum requirements as dictated in your governing documents.

Boards may meet for different purposes, including:

- Annual meetings.
- Budget ratification meetings
- Special meetings (such as transitional or special assessments).

State law and your governing documents will dictate whether the Board can hold open and closed meetings. In addition, restrictions may be in place for meetings conducted remotely via online conference platforms or telephone.

When allowed, closed meetings should be reserved for personnel issues, contract negotiations and discussions, legal matters, and violations of the governing documents. Transparency is critical to building trust and support with the membership. Open meetings allow the membership to witness the Board carrying out its fiduciary duties. When the boards move to all closed meetings, the association membership may begin to question what is going on behind closed doors.

Board of Directors Meeting Procedures

At a minimum, the Board should:

- Follow all requirements for board meetings as specified in the bylaws.
- Provide proper notice about board meetings' time, date, and location.

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- Establish and follow an agenda for each meeting.
- Follow parliamentary procedure (see reverse side).
- Record minutes.
- Meet in a neutral location for public (open) meetings.

Committees

Committees are an excellent way to engage residents and build community well-being. Committees (such as the Architectural Review Committee) may be required or formed on an ad hoc basis to help with projects or initiatives. Committee members are appointed by the Board and report to the Board. It is highly recommended that the Board determine and define the committee's scope before launching it.

Committee meetings should follow similar procedures to board meetings.

Running an Effective Meeting

There's more to running an effective meeting than following parliamentary procedure. To keep your Board on task and meetings on schedule:

- Stick to the agenda.
- Discuss one subject at a time.
- Give each participant a chance to speak.
- Speak when recognized by the chair.
- Decide issues through motions.

Basic Parliamentary Procedures

Parliamentary procedure is a set of rules for conduct. It allows everyone to be heard and to make decisions without confusion. Organizations using a parliamentary procedure, such as Robert's Rules of Order, usually follow a fixed order of business at their meetings. A typical example follows.

I. Call to Order — A board representative (typically the president) says, "This meeting is called to order."

II. Roll Call — Members say "present" as their names are called.

III. Minutes — The Board reviews the minutes from the last meeting and votes to approve or change the minutes.

IV. Officers' Reports — These are often limited to a report from the treasurer and president, but others may report now.

V. Committee Reports — Reports from special committees follow reports from "standing" or permanent committees.



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VI. Management Report — The management team recaps its accomplishments since the last meeting and updates the Board on any ongoing or outstanding issues in the community.

VII. Unfinished Business — Business left over from previous meetings is reviewed.

VIII. New Business — Introduction of new topics can be made.

IX. Executive Session — The Board discusses ongoing matters of a private nature, such as delinquency or due process.

X. Announcements — Informing the assembly of other subjects and events is appropriate at this point in the meeting.

XI. Adjournment — The meeting ends with a vote or general consent.

Quorum: The number of members that must be present for business to be conducted legally is called a quorum. The actual number is usually an odd-numbered majority.

Motions: A motion is a proposal that the assembly take a stand or action on an issue. There are four parts to a motion:

1. The motion is presented ("I move...").
2. The motion is seconded ("I second the motion.").
3. The Board debates the motion.
4. The Board voted on the motion (all in favor/all opposed).