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MAHC Messenger

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Conducting Effective and Meaningful Board Meetings

By: Herbert H. Fisher, Esq.

Purpose

This article is designed for Board members who are ultimately responsible for the success or failure of a board meeting but is principally addressed to presidents in preparing for board meetings, and to entire board's whose assistance is required in assisting the President in carrying out the ideas to be discussed.

Different boards, different presidents, different people will implement these ideas or achieve these goals in different ways best suited to their individual personalities and communications means at hand. Communicating in advance of and after board meetings is oftentimes as important as communicating during board meetings.

Meeting Planning

The essential starting point in planning for each meeting is a review of past meeting minutes, past management agent reports, correspondence from members, vendors, attorney, management and others. In other words "what's happening?" The goal is to identify items which need decisions or clarification for discussion. If issues need explanation, a background and explanatory memo to the board members from the president, from management, from the attorney, the auditor, a vendor, or, even the complaining member whose issues are unresolved and need board attention, may be required to cut down on the time consuming explanations during the meeting.

Methods of communications should be as convenient as possible. For small boards it may be telephone calls or telephone conference calls for larger boards, email or distributed memos.

Prepare Agenda

The purpose of an agenda is to provide organization to the meeting. To achieve this it is best to develop broad topics which will repeat themselves at most every successive meeting. Everyone then becomes accustomed to this routine and the structure of the meeting becomes institutionalized for your cooperative. The agenda process and cooperating with it becomes easier to do, and then tends to be the procedures followed by successive boards. Items I and II below are legally necessary to establish that the meeting is a legally constituted meeting. The rest is optional depending on each board's cooperative structure and needs.

Distributing a draft of the agenda in advance of the meeting is preferable.

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It is the Mission of the Midwest Association of Housing Cooperatives to support and champion the cause of quality housing through education, legislative action, partnership and advocacy for housing cooperatives.

Conducting Effective and Meaningful Board Meetings Cont.

As much advance information to board members always assists the progress of the meeting.

First, organize under broad topic headings (the Roman numeral items below), then go to the details for the meeting (Arabic numeral items below), e.g.,

- I. Roll Call – Establish Quorum
- II. Report notice of meeting or that it is a regularly scheduled meeting
- III. Approval of Agenda

Getting board member approval is important to having an agreement by everyone or at least a decision by the majority of the board present that procedure for the meeting has been set and that everyone will abide by it.

- IV. Review of correspondence to the Board, assigning agenda position (or assignment can be done by President prior to meeting in preparing the agenda.
- V. Review or approve minutes of previous board meeting(s)

Contrary to popular conception, minutes are finalized when prepared and signed by the cooperative's secretary and, in most states, are taken as true unless proven otherwise. Third parties have a right to rely upon them and certificates of corporate resolution signed by the secretary. However, the procedure of approving minutes is important to make corrections which may occur and to lay aside any possible internal disputes as to what happened at the meeting. Corrections of minutes should show in detail in the meeting of the minutes at which the corrections are made.

VI. Committee Reports

These can be verbal or in writing depending on what the board requires. If in writing, it is best to distribute them with the proposed meeting agenda if possible.

VII. Management Report

This should be distributed in advance of the meeting. Many cooperatives require that written management and financial reports be in board members' hands 3 or more days prior to meetings at which they will be discussed.

VIII. Other Reports

- a. Each cooperative has a different pattern of who reports. Oral or written reports may be expected from committees, the cooperative attorney, periodically from the auditor, review of vendor bids or performance if not included in the Management Report. These should then be listed in order of importance at the moment on number lines, e.g.:
 1. Committees
 - A. Finance
 - 1) Status of new budget
 - 2) Handling of delinquencies
 - B. House and Grounds
 - 1) Status of window replacement project
 - 2) Other

Conducting Effective and Meaningful Board Meetings Cont.

2. Attorneys

- 1) Delay in processing evictions
- 2) Need for improved contracting protections

3. Ad Hoc Committee on program for seniors

IX. Old Business—unfinished from prior meetings

- X. New Business—items assigned to this category at beginning of the meeting with the agenda or assigned to this time by the president or vote of the board during the course of the meeting to avoid an interruption non agenda related item from distracting from the agenda and being out of order at that time.

- b. Secondly, assign specific items to broad topic headings, e.g.:

Special topics can then be assigned to the routinely laid out agenda. Special topics which tie into items already on the agenda, for example, a topic dealing with management functioning would go under Management Report. A topic with a committee's sphere of activity could go under Committee Reports to be dealt with at that time. The committees expected to be reported could be listed.

IX. Old Business

- A. Member's complaint about neighbor's conduct from last meeting
- B. Finance Committee's report on over expenditures from Jan. 20, 2004 meeting

X. New Business

- A. Letter from member requesting formation of dance class and use of community room

Distribute the agenda prior to the meeting, preferably with the meeting notice if one is needed.

Set time periods for each item on the agenda; or alternatively, during meeting when a long discussion is expected, set a time limit at the time the subject is put on the table for discussion

The president in making the agenda can divide a set meeting time, say 3 hours, giving each agenda item a set time within that period. This becomes a guide for the president and board members as to where the progress of the meeting is at any given point. Whether to adhere to the time schedule or not is up to the president and the board as the meeting progresses..

Meeting Conduct

The conduct of the meeting is key to a successful meeting. The presidents' and board members' conduct will be governed by what it is that each participant understands is expected by their fellow board members and members of the cooperative.

President/Chair's role is to:

- I. Stick to the Agenda—Promptly rule out of order board members, management or anyone else (participants) who gets the floor who gets off the subject which is on the table; and for the president not to make comments or raise unrelated items himself or herself.

Conducting Effective and Meaningful Board Meetings Cont.

- II. Keep participants from getting into repetitious remarks and overlong statements which do not add to The discussion.
- III. Do not permit interruptions or speaking without having been recognized by the president first.
- IV. Do not permit interruption by non board members who are present other than during allotted time.

Board members'/Participants' Role:

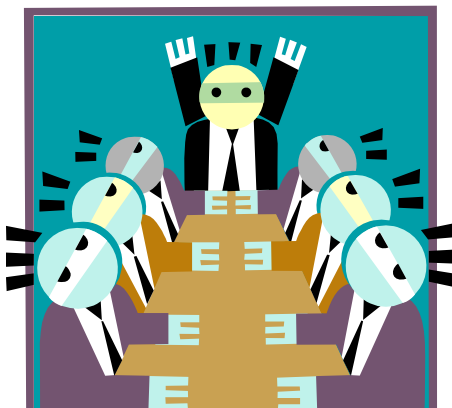
- I. Do not speak unless recognized by the chair.
- II. Stick to the subject which is on the floor for discussion, or at that point on the agenda or as requested by the chair.
- III. Be alert and provide your input when the agenda is established and approved.
- IV. If a board member believes the discussion is straying to raise a point of order that the remarks are out of order for the president to make a ruling.

Adjournment – If an adjournment time is set in the agenda, remind board members of the adjournment time 20 minutes in advance and ask for a motion to extend adjournment time at the scheduled time for adjournment so that all board members agree the meeting will end in the absence of a motion or to the later time to which they stay to complete business.

Post adjournment activity is important to implementing the effectiveness of the meeting. The President and Treasurer should review decisions made at the Board meeting for prompt follow up as their by-law roles require. Minutes of the meeting being prepared and distributed promptly is important as a reminder of follow up which may be needed. Contact with those charges with the follow through responsibility is critical to avoid a do nothing period and an embarrassing subsequent meeting.

In conclusion, following the above will not necessarily guarantee an efficient and effective and meaningful meeting but will be a start in that direction. How meetings are conducted and how members participate in them become institutionalized (another word for becoming habit) and habits are sometimes hard to change, so make the habit a good habit, not a bad one.

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MAHC 2010 ANNUAL CONFERENCE

May 23-27, 2010

At

Bally's Las Vegas



- ◇ Anatomy of Your Building
- ◇ Blogs, Facebook, and More
- ◇ Choose your words wisely
- ◇ Community Building Activities



- ◇ Curb Appeal
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MAHC Certifications at Annual Conference

Certified Cooperative Director (CCD)

This course is designed for all Board of Directors, Committee Members, and/or Members that want and need the components that drive the operations and oversight of the Cooperative Corporation.

The (CCD) course is a course that covers everything from the history of Cooperatives, Corporate Law, to Ethics in the Board Room. Additional topics covered will be budget's, audits, financial components, marketing and managing of your Cooperative. This list is only a piece of this comprehensive program which the Midwest Association of Housing Cooperatives has endorsed. Each individual who completes the course and passes the test will be given a certification of completion.

FEE: \$250.00

***MAHC has been recognized as one of the Nation's leaders in
Training, Education, and
Support Services for Housing Cooperatives in the U.S.***

Certified Cooperative Manager (CCM)

This course is designed for managers and assistant managers of Cooperative Housing. Topics covered include fair housing, ethics, legal structure of cooperatives, policy making, decision making, financial integrity, and battling renter mentality in today's cooperatives.

The list is only a portion of what is covered in this sixteen hour course, that includes testing and receiving certification as a CCM, from the Midwest Association of Housing Cooperatives.

The participant who has received any other training in Cooperative Housing will be impressed with the amount and quality of information given in this course.

FEE: \$250.00

Certified Cooperative Maintenance Manager (CCMM)

A class designed for Maintenance Personnel that have the duties of regular maintenance at a Cooperative Housing Property, as well as any Cooperative member or other staff that want to know more about the Cooperative Maintenance Process.

This class will teach you what tools you need to understand what a Cooperative is and your role in this unique form of housing.

You will receive the tools to help you with the ethics, maintenance plans, Cooperative goals, inventory control, working with contractors, and much, much more.

MAHC has endorsed this eleven hour program for any staff and the completion and passing of a final test of this course will earn the attendee a Certification.

FEE: \$250.00



The State of Housing Cooperatives in the Year 2010

– By Bill Magee, ARM, IAP, NAP, CCD President Noble Square Cooperative, President MAHC

Cooperatives have good times and bad times the same as any other organization, but the founding cooperative principles by which cooperatives govern themselves provide them with the power to stay the course.

In this turbulent economic environment we have seen giants of industry fall, entire blocks of homes foreclosed upon, unemployment skyrocket. But Cooperatives' have for the most part been able to weather the storm. What is the key to our survival in this challenging time? Cooperatives by their very nature are frugal and tend to live within their means. The dangers of spending what you don't have and basing your decisions on pure speculation could not have been made clearer than in the last 18 months of American history.

Are many Cooperatives today facing challenges with vacancy and delinquency issues? Yes. Are those challenges threatening their existence? No. Cooperatives as a whole are alive and well. Our economic principles allow us the courage to cut back when necessary, to adjust our budgets, tighten our belts, to survive and move into the future.

Many Cooperatives are facing the payoff of their first mortgages, ending of use agreements and or refinancing to make needed improvements to aging structures. But unlike other multifamily developments, Cooperatives are seeing success in their refinancing efforts due to their adherence to the foundational principles we follow. Cooperatives have one of the highest retention rates of any sort of housing in the country. Not many multifamily properties can boast multi generational members who have been associated with the properties for 30-40 years. However, this type of longevity is common place in Cooperatives. Because the people who live in cooperatives are committed to them and to their surrounding community. This investment in the community and in the place that they live attract lenders as it shows incredible stability.

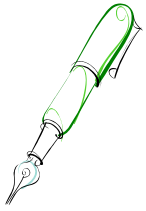
We owe much to the foresight of those Rochdale Pioneers who so long ago created the template which has given us the strength to survive and thrive even in times such as these.

Will Cooperatives continue to be challenged by changes in governmental regulations? Of course. We live in a county that is continually evolving, we have to evolve with it or be left behind. As Cooperatives move into the future we do need to recognize that we don't always do a good job coming together. Let's face it, sometimes we allow ego and past disagreements to cloud the realities of the day. This is something we all need to improve upon.

Cooperatives will continue to negotiate, organize, vote and educate. We have a never ending task and responsibility to continually seek a better life for our members. The Cooperative movement is still strong despite the economic environment of the times. Cooperatives are here to stay. Those with eyes wide open can easily see the many advantages that Cooperatives have in the way of stability and sustainability when compared to other housing choices available. Administrations will come and go, Presidents will come and go, fashions will come and go but the people who choose to live in Cooperatives will remain. Cooperators live under a 24/7 philosophy by the people and for the people.

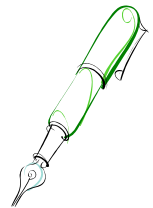
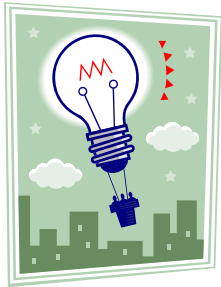
Can I tell you what the future holds? No. What I can tell you is that Cooperatives will continue to face the future concerned and aware of what pitfalls there may be but they also face the future unafraid because the bridges that were built by the Rochdale Pioneers so long ago continue to be built by today's Cooperatives' for the benefit of generations to come.





Do you have topics you'd like us to write about?
Do you have Questions you'd like answered?
Maybe you have an article you'd like published?

Email Randall Pentiuk @ rpentiuk@pck-law.com
To submit your questions, ideas or articles!



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