

minuteTakers

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BEST PRACTICES

Annual General Meetings vs. Other Owners' Meetings... *What's the Big Deal? and How Do They Differ From Board Meetings?*

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Annual General Meetings vs. Other Owners' Meetings

Every now and then I'm asked this question: "Why is the cost of minutes for an owners' meeting so much more than a regular Board meeting?" That's a good question!

First, it's important to understand why minutes of these types of meetings are required at all. Second, it is necessary to appreciate the difference in capturing minutes in a more public setting. And third, certain challenging behaviours are often manifested at these types of meetings that a minute-taker needs to overcome.

Types of Owner Meetings

For condominiums, Annual General Meetings must be held annually, within six months of the Corporation's fiscal year end. These meetings typically consist of four main items of business: (a) approve the minutes of the previous meeting(s) of the owners, (b) present the audited financial statements (c) appoint an auditor for the Corporation, and (d) elect directors to fill any available positions on the Board of Directors. Other types of business may also be added to the meeting agenda, as an alternative to calling a separate meeting to deal with these matters.

Special General Meetings are called for specific purposes such as by-law approval, to discussing and voting on the business that is set out in a Requisition of 15% or more of the unit owners, discussing amendments to a Corporation's declaration, and other matters that would require a vote or consent by the unit owners.

Town Hall or Information meetings are more casual in nature and provide the Board with a forum to deliver status updates, or to provide information on specific matters, and to obtain feedback from residents.

Requirement to Keep Minutes of Owner Meetings

First and foremost, minutes are produced as a legal record, to document the decisions made by the collective body of owners that are binding on the Corporation. It therefore behooves the Board to select a professional, unbiased minute-taker who is not drawn into 'he-said, she-said' micro-details or political statements that are inappropriate for the purpose for which the minutes are intended.

It is also important to have a proper understanding of what minutes, as a corporate record, should not consist of. They are not intended to describe all of the details and/or tone surrounding a topic of discussion or to document who voted how, or who said what. (Passed motions should simply state, 'Motion carried'). Further, there is no need to include the entire text of reports made by the President or other Board members (brief highlights of the report can be included, but if desired, a copy of the report can be appended to the minutes as a Schedule).

However, in a condominium environment, it is helpful to the Board if the minutes of the owner meetings briefly summarize questions and concerns raised from the floor, together with the responses that are provided, to allow the Board and/or Management to follow up later to ensure that any outstanding concerns are properly resolved and communicated to any affected person(s).

Meeting Venue

Board meetings usually take place in a boardroom or some other sequestered space. For meetings of condominium unit owners however, the venue typically consists of a more public setting and in spaces with the capacity to accommodate larger numbers of people. A condominium's party room can be utilized for this purpose, but if the room lacks sufficient capacity, such meetings would be held off-site in a school, community centre, library or other public facility. The atmosphere at a meeting of owners is also much more formal, with typical room set-ups involving a head table occupied by the board of directors, the manager, the recording secretary, and in the case of Annual General Meetings, the Corporation's auditor and maybe its lawyer. Facing the head table are rows of chairs for the unit owners, who are usually required to register and obtain their ballots prior to entering the meeting.

The Role of the Meeting Chair

It is critical to select the right person for the job of meeting Chair – This person must understand the fundamentals of running a meeting to avoid inefficiency and chaos. Although there is no need for undue formality, certain protocols should be kept in mind in order to set an appropriate collaborative, respectful and business-like tone for the meeting.

The Chair of the meeting must confirm that notice of the meeting was sent to all unit owners in accordance with the timeframes set out in the Condominium Act, and an affidavit evidencing such proof of notice should be readily available for inspection at the meeting by any unit-owner wishing to review it. The Chair must also confirm that the quorum requirements for the meeting have been met. A Board meeting cannot legally proceed unless a majority of the number of persons of which the board consists is present in person or via teleconference. For condominium Annual or Special General Meetings however, a minimum of 25% of the units must be represented either by proxy or in person for a first or second attempt at a meeting, with 15% for a third or subsequent meeting in order for the meeting to be legally constituted. For meetings that require a vote to remove directors or pass by-laws, it must be confirmed that a quorum of at least 50% plus one is represented. After confirming that a quorum is present, the Chair formally calls the meeting to order, which signals that the meeting is open for the discussion of official business.

It must be kept in mind that for Owner meetings, no business can be voted upon unless it has been specifically included on the meeting Agenda. The Chair of the meeting should ensure that the meeting stays on task and that discussions are focused on the decisions that need to be made. A decision should be clearly reiterated so that everyone, including the minute-taker, is clear on the final outcome. Furthermore, it should be kept in mind that whoever chairs the election portion of the meeting is responsible for the outcome, and therefore adherence to proper procedure is extremely important.

Finally, the Chair must ensure that 'Other Business' items relate to common issues of a general nature. Topics that are specific to a certain unit or owner should be addressed privately with the manager and/or Board at a later time, outside of the meeting.

The Role of the Minute-Taker

Minute-takers for Annual General Meetings and other types of owner meetings require significantly more experience and specialized expertise than is necessary for a typical Board meeting. Often the pace at an owner meeting is fast and furious and requires special skill in capturing queries by unit-owners and ensuring that all required information is properly recorded; there are specific formats to follow.

The minute-taker must be able to keep up with the various speakers and must take the time to sort out the comments later to provide a concise but informative record of the issues of concern and the responses provided. Furthermore, AGMs typically take several hours longer than regular Board meetings in terms of advance preparation and post-meeting editing.

Special Challenges Experienced by Minute-Takers (and Chairs) at Owner Meetings

The most successful and smoothly run owner meetings are those that have been prefaced by good communication from the Board and Management throughout the year. Regular newsletters and communiqués, and perhaps a Town Hall meeting held six months prior to the AGM or a month before a by-law approval meeting all serve to provide unit owners with the information they require in order to have their confidence in the Board elected to oversee the affairs of the condominium. Without this type of ongoing communication, unit owners can often become frustrated by a perceived lack of information, which can quickly lead to suspicions and tension amongst the owners, often directed against the Board. As a result, our minute-takers have had to overcome many challenging behaviours, which have included the following:

- A phalanx of security officers present outside and inside the meeting room. (Very daunting, especially if it is obvious that confrontational behavior is expected)
- People coming up during the meeting or while votes are being counted and demanding to see the minute-taker's computer screen, looking over the minute-taker's shoulder, dictating what the minute-taker should put into the minutes, or directing the minute-taker to include specific comments, etc. (Yes, this actually happens sometimes – ugh!)
- Arguments or emotional outbursts that result in a charged atmosphere and/or erupts into chaos and sometimes violence. (In one case, a lawyer chairing the meeting was punched in the nose by a unit owner, resulting in the police being called!)
- Angry and/or inappropriate comments directed at the innocent minute-taker rather than the person that the remarks were intended for, as a deflection tactic.
- Negativity that incites discord or dissatisfaction between unit owners and the Board.
- Speaking out of order or lack of cooperation to focus on the business to be conducted. (In some cases, meetings got so out of hand that they had to be shut down, with the business unconcluded.)

Other behaviours that are challenging to a minute-taker include the following:

- Chairs who are not familiar with protocols and fail to call for motions when required.
- Speakers who neglect to identify themselves. (In many cases, the Board wants the minute-taker to document speaker names and suite numbers, in case further follow-up is required after the meeting.)
- Side conversations while the meeting is in progress. (This makes it very difficult for the minute-taker to hear/focus on the central discussion.)
- One or two individuals who dominate the discussion or similarly impede the meeting. (This happens a lot!)
- Individuals jumping up to make motions on business that has not been included on the meeting agenda, and in many cases, refusing to observe the Chair's attempt to maintain order.
- Owners raising suite-specific issues or demanding information on unresolved lawsuits. (There is privacy legislation and confidentiality guidelines that must be adhered to.)

Some of these behaviours can be prevented if the Board provides regular communication to the unit owners throughout the year, and if the Chair encourages mutual respect from the outset, ensuring that the meeting's rules of order are followed. Ultimately however, maintaining decorum to ensure a productive meeting is a joint responsibility between the Board and the unit-owners.

Furthermore, in accordance with recent workplace legislation, all parties are responsible for ensuring that the minute taker, property manager, and other professionals present at the meeting can perform their tasks in a stress-free and comfortable environment.

An owners' meeting is an opportunity to contribute in a positive way to the wellbeing of a condominium corporation. Everyone should take a realistic approach in balancing the needs of all unit owners and the best interests of the entire organization. Everyone is on the same 'side' when it comes to protecting the valuable investment you've made in the mutual property!