

# MEETINGS & VOTING



Presented by the Training Officer for the Office of the Ombudsman;  
Common-Interest Communities & Condominium Hotels Program



# Introduction

- o Within a common-interest community, regular meetings are held to conduct business of the association.
- o The following types of meetings can take place:
  - o **Executive Board Meetings (Directors vote)**
    - o Meetings in Executive Session
    - o Action without a physical meeting
  - o **Unit Owners' Meetings (Unit Owners vote)**
    - o Special Meetings
    - o Annual Election (vote by ballot)
    - o Budget Ratification Meeting (unless at this meeting a majority of all units' owners reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present)
- o **Emergency Meetings**

# Robert's Rules of Order

- o Unless the association's bylaws provide otherwise, all meetings of the association must be conducted in accordance with the most recent edition of *Robert's Rules of Order* [NRS 116.3109].



- o Robert's Rules provide a structure for conducting orderly meetings, allowing those in attendance to be heard and those with voting power to make decisions without confusion.
- o Emphasizes the 3 Cs: command, clarity, courtesy.

# Example of Order of Business (Board Meeting Agenda)

- o **Call to Order** – attendance and establishment of quorum
- o **Unit Owner Forum** – at the beginning of the meeting, unit owners can speak on agenda items only
- o **Reading of Last Meeting's Minutes for Approval**
- o **Officer Reports**
- o **Committee Updates**
- o **Unfinished Business**
- o **New Business**
- o **Announcements**
- o **Open Forum** – at the end of the meeting, unit owners can speak on any matter impacting the community
- o **Adjournment and announcement of next meeting date**

# Making Motions During a Board Meeting

Motions are made by members of the executive board only.

Board Directors:

- ❖ **Obtain the floor** when the last speaker has finished and they have been recognized by the Chair.
- ❖ **Make the motion** – “I move that we...” (can move to table an issue or postpone a response if necessary)
- ❖ **Wait for another director to second** the motion, or the Chair will call for a second. If there is no second, the motion is lost.
- ❖ **The Chair states the motion** for consideration and action by the board – “it has been moved and seconded that we...”
- ❖ The mover of the motion speaks first, expanding on the details of the potential action, and the other directors then **debate** or move to amend the motion.
- ❖ The Chair asks “are you ready to vote?” and a **vote is taken**.

# Robert's Rules Concluded

- o All motions and questions should be thoroughly discussed at the meeting before taking action.
- o Unit owners only have the right to speak at the beginning and end of a meeting.
- o Directors make decisions for the association and are the only ones who have a vote at board meetings.
- o No director can speak twice on the same issue until everyone else wishing to speak has spoken at least once on the matter.
- o All remarks must be directed to the Chair.
- o Language must be courteous and never refer to others by name or allude to underlying motives.

# Having a Quorum [NRS 116.3109]

- o A quorum must be present for *action to be taken* at any meeting. If it is not present, minutes showing attendance should be noted.
- o *For Executive Board Meetings* - a quorum is present only if a majority (or larger if in bylaws) of directors of the board are present at the time a vote regarding an action is taken.
  - o If a quorum is present, the affirmative vote of a majority (or greater) of the members **present** is the act of the executive board.
- o *For a Meeting of the Units' Owners* - except when the governing documents provide otherwise, a quorum is present if persons entitled to cast 20% of the votes are present in person, by proxy or through absentee ballot (do not need a quorum for budget ratification or election).

# Executive Board Meeting

[NRS 116.31083]

- o The executive board has a duty to hold meetings with enough frequency to properly and efficiently address the affairs of the association [NAC 116.405(8c)].
- o A meeting of the executive board must be held **at least once every quarter, and not less than once every 100 days** and must be held at a time other than during standard business hours at least twice annually.
- o Except when the executive board is meeting in executive session, a unit's owner may attend and speak at any meeting of the executive board, the board may however establish reasonable limitations on the time a unit owner may speak [NRS 116.31085].



# Notice – Executive Board

- o Unless the bylaws of an association require a longer period of notice, the officer specified in the bylaws shall, **not less than 10 days** before the date of a meeting of the executive board, cause notice to be given.
- o The notice must state the time and place of the meeting and include a copy of the agenda **OR the date and locations where copies may be conveniently obtained.**
- o The notice must include the right of a unit owner to have a copy of the audio recording or minutes of the meeting provided upon request, in electronic format at no charge, and the right to speak to the board.
- o An association shall deliver the notice:
  - o to any mailing or email address a unit owner designates;
  - o by hand delivery; or
  - o by publishing the notice in a newsletter or other similar official publication distributed to each unit owner.

# Agenda – Executive Board

- o The agenda for a meeting of the executive board must include any action items impacting the association.
  - o Only in an emergency can the executive board take action on an item which is not listed on the agenda.
- o A period required to be devoted to comments by unit owners and discussion of those comments must be scheduled for both the beginning (limited to agenda) and end (open) of each meeting.
- o If the executive board receives a written request from a unit owner asking the board to add to the agenda a complaint alleging that the board has violated any provision of chapter 116 or their governing documents:
  - o **not later than 10 business days** after receipt, the board shall acknowledge receipt and place the complaint on the agenda of the next regular meeting [NRS 116.31087].

# Executive Board Requirements

- o **At least once every quarter**, the executive board shall review the following financial information at one of its meetings:
  - o a current financial statement of the association;
  - o a current schedule of revenues and expenses for the operating and reserve accounts compared to the budget for those accounts;
  - o a current reconciliation of the operating and reserve account;
  - o the latest account statements; and
  - o the current status of any civil action or claim submitted to arbitration or mediation in which the association is a party [NRS 116.31083].
- o **At least once per year**, the board shall review the reserves and adopt an operating budget.

# Voting - Directors

- o A Director can vote:
  - o By Roll Call -- Each director answers "yes" or "no" as his or her name is called. **This method is used when a record of each person's vote is required.**
  - o By General Consent -- When a motion is not likely to be opposed, the Chairman says, "**if there is no objection ...**" The executive board shows agreement by their silence.
  - o By Voice -- The Chairman asks those in favor or opposed to voice their decision.
  - o By Hand -- Directors raise their hands to vote (restate for audio).
- o In executive session, a director of the board SHALL NOT participate in any hearing **or cast any vote** relating to a fine if the director has not paid all assessments due [NRS 116.31031(9)].

# Standing to Gain–Executive Board

- o A member of an executive board who stands to gain any personal profit or compensation of any kind from a matter before the executive board shall disclose the matter to the executive board, abstain from voting on the matter, and no longer serve on the board.
- o A member of an executive board who has **a member of his or her household or any person related to the member by blood, adoption or marriage who stands to gain** any personal profit or compensation of any kind from a matter before the executive board shall **disclose the matter** to the executive board **before voting** on any such matter.

NRS 116.31084



# Minutes – Executive Board

- o The minutes of each board meeting must be taken and include:
  - o the date, time and place of the meeting;
  - o members of the executive board who were present and absent;
  - o the substance of all matters proposed, discussed or decided;
  - o a record of each member's vote on any matter decided; and
  - o the substance of remarks made by any unit owner who addresses the executive board if the owner so requests (if the owner has prepared and submitted written remarks, a copy can be included).
  
- o The executive board may establish reasonable limitations on materials, remarks or other information to be included in the minutes of its meetings.
  
- o Approved minutes or a draft summary must be made available to unit owners within 30 days (provided in electronic format at no charge).
  
- o Minutes are maintained until the common-interest community is terminated.

# Audio Recordings – Executive Board

- o As with the minutes:
  - o The secretary or other officer specified in the bylaws shall cause each meeting of the executive board to be audio recorded.
  - o Not more than 30 days after the meeting, the secretary or other officer specified in the bylaws shall cause the audio recording to be made available to unit owners.
  - o A copy of the audio recording must be provided to any unit owner upon request, by email at no charge, or if the association is unable to provide the copy by email, at a cost not to exceed the cost of the copy itself (i.e. CD, USB).
- o A unit owner may record a meeting of the executive board, if, before recording the meeting, he or she notifies those in attendance.

# Unit Owners' Meeting

## [NRS 116.3108]

- o A meeting of the unit owners must be held **at least once each year** at a time and place stated in the bylaws.
- o If the governing documents do not designate an annual meeting date, the meeting must be held 1 year after the date of the last meeting.
- o If unit owners have not held a meeting for 1 year, the meeting must be held on the following March 1st.



# Notice - Unit Owners

- o **Not less than 15 or more than 60 days** in advance of any meeting of the unit owners, notice of the meeting is to be given.
- o Notice of the meeting must state the time and place **and *include a copy of the agenda.***
- o The notice must include the right of a unit owner to have a copy of the minutes or a summary provided upon request (in electronic format at no charge) and speak to the board.
- o An association shall deliver the notice to any mailing or email address designated, by hand delivery, or through an official publication of the association.

# Agenda (NRS 116.3108) –Unit Owners

- o The agenda for the annual meeting of the unit owners must consist of:
  - o a **clear and complete** statement of the topics scheduled to be considered, including, *without limitation*:
    - o any proposed amendment to the declaration or bylaws,
    - o any fees or assessments to be imposed or increased, and
    - o any budgetary changes.
  - o a list describing the items on which action may be taken;
  - o a period devoted to comments by unit owners regarding any matter affecting the common-interest community, as well as a period for discussion of those comments; and
  - o the annual election - secret written ballots for the election of directors onto the executive board must be opened and counted at the annual meeting (SB 195).

# Voting – Unit Owners

- o Unless prohibited or limited by the declaration or bylaws, unit owners may vote **at a meeting of the unit owners** in person, by absentee ballot, or by a proxy (for elections, by ballot only).
- o Voting in person - show of hands, voice, standing, or any other method designated by the person presiding.
- o Voting by absentee ballot - The association shall deliver an absentee ballot to an owner who requests it at least **3 days** before the scheduled meeting.

# By Proxy [NRS 116.311]

- o A unit owner may give a proxy only to a member of his or her immediate family, a tenant, another unit owner who resides in the common-interest community, or a delegate.
- o Before a vote may be cast by proxy, the holder of the proxy must disclose at the beginning of the meeting the number of proxies to which he or she will be casting votes.
- o The proxy must:
  - (1) be dated;
  - (2) designate the meeting for which it is executed; and
  - (3) designate each specific item on the agenda for which it is executed.
- o A proxy can be used to determine a quorum and terminates immediately after conclusion of the meeting.

# Minutes – Unit Owners

- o Minutes must be recorded or otherwise taken at each meeting and must be kept as association records until the community is terminated.
  - o Not more than 30 days after the meeting, the secretary or other officer specified in the bylaws shall cause a draft summary of the minutes to be made available to unit owners in electronic format at no charge.
- o Minutes of each meeting must include:
  - o the date, time and place of the meeting;
  - o the substance of all matters proposed, discussed or decided; and
  - o the substance of remarks made by any unit owner, or if the unit owner has prepared written remarks, a copy of his or her prepared remarks.
- o A unit owner may record the meeting if, before recording, he or she provides notice to others in attendance.

# Special Meeting

## [NRS 116.3108(2)]

- o An association shall hold a special meeting of the unit's owners to address any matter affecting the community (notice, agenda and minutes requirements remain).
- o The board president, a majority of the executive board, **or unit owners** constituting 10% of the total number of votes in the association (lower if specified in the bylaws) can request that such a meeting be called.
- o Unit owners must submit a written petition, signed by the required percentage, mailed, return receipt requested, or served by a process server to the executive board or community manager for the association.
- o The executive board shall set the date for the special meeting so that it is held not less than 15 or more than 60 days after the date on which the petition is received.

# Executive Session

## [NRS 116.31085]



- o An executive board may meet in executive session only to:
  - o consult with the attorney for the association on matters relating to proposed or pending litigation (attorney-client privileged conversations);
  - o discuss the character, alleged misconduct, professional competence, or physical or mental health of a community manager or an employee of the association;
  - o discuss a violation of the governing documents, including failure to pay an assessment (can have an open hearing pursuant to NRS 116.31085(4));
  - o discuss the alleged failure of a unit's owner to adhere to a construction schedule.
- o The executive board may not meet to open or consider bids for an association project or to enter into, renew, modify, terminate or take any other action regarding a contract.
- o If the executive board is meeting in executive session, the meeting must not be audio recorded and only those unit owners invited to a hearing have a right to attend and speak.
- o Any matter discussed by the executive board when it meets in executive session must be *generally* noted in the minutes of the next meeting of the executive board.

# Emergency Meeting

## [NRS 116.3108 & 31083]

o Emergency meetings are held when occurrences take place that:

- (a) Could not have been reasonably foreseen;
- (b) Affect the health, welfare and safety of residents;
- (c) Require the immediate attention of, and possible action by, the executive board; AND
- (d) Make it impracticable to comply with timeframes for notice.



o Notice is still mailed, hand-delivered, OR posted in a prominent place within the community and should clearly indicate what is to be discussed or what action must be taken.



# Action Without a Physical Meeting [NRS 82.271]

- o Unless restricted by the articles or bylaws:
  - o Action may be taken by the board without a meeting if, before or after the action, a **written consent** is signed by a majority of the board. This consent is kept in the records of the association.
  - o The Division discourages repeated use of such action in lieu of a meeting unless absolutely necessary (i.e. pipe burst, fallen tree).
  - o Directors may participate in a meeting through:
    - o electronic communications,
    - o videoconferencing,
    - o teleconferencing
    - o or other available technology,



# Conclusion

- o The rights of the executive board supersede the rights of unit owners when it comes to the running of executive board meetings.
- o Unit owners have the right to:
  - o attend meetings,
  - o make comments at the beginning and end, and
  - o vote on certain matters at the unit owners' meeting.
- o During regular meetings of the association:
  - o The agenda should be followed precisely, with no items being considered that aren't on the agenda. Items that come up that aren't on the agenda can be considered for placement on the next meeting's agenda.
  - o There should be one question/motion/subject matter at a time under consideration.
  - o There should be one speaker at a time and others should not interrupt.
  - o No one should speak out of order; speakers must be "recognized" first.
  - o Personal remarks are out of order, and should be ruled as such by the president/Chair.
  - o If an individual becomes disruptive, they should be asked to leave.

# Thank you

- o <http://red.nv.gov/> - Main Page
- o [CICOmbudsman@red.nv.gov](mailto:CICOmbudsman@red.nv.gov) – Email Questions
- o [http://red.nv.gov/Content/CIC/Program\\_Training/](http://red.nv.gov/Content/CIC/Program_Training/)