



KEOUGH & MOODY'S 2023 WEBINARS BEGIN AGAIN

"How Not to be a (Fill In the Blank)"

January 18, 2023, at 12:00 p.m.

**Pending approval for continuing education*

Join Dawn and Gabby on January 18, 2023, from 12:00 p.m. to 1:30 p.m. for "How Not to be a ____." 2022 brought out many different personalities within the community association world. Often people act in a manner that spirals out of control and leads the association down an unintended path. It is not just unit owners who act in a way that causes the association to lose control, but it is also members of the board and managers. In this webinar, Gabby and Dawn will talk about how not to be the nasty person; the one who holds a grudge; the people pleaser; the know it all, etc.. They will explain how to identify these people, how to reel them in, and how to use those characteristics to HELP not hinder the association. Of course there will be time for attendees to ask questions.

Join us for what we believe will benefit all board members and managers. As always, come learn and have your questions answered. Registration is required.

Register in advance for this webinar below.

Register Now

NEW YEAR-NEW WAYS

Be Proactive; Be Ready; Be Fair and Don't Be So Hard on Yourself!



Last month's newsletter included a wish list created by our attorneys. It is now time to turn those wishes into reality. The following are "new ways" or resolutions we recommend community associations adopt in 2023.

Have a strong team and use it!

We have said for years that members of the Board are not required to know everything, but they do need to know how to put together a good team. Start this year by ensuring your association has a strong team ready to encounter any challenge. We want the team to be strong and cohesive before we have to encounter a problem.

Meet with your experts, i.e., management, contractors, accountant, lender, attorney. Not only should you meet with them one-on-one, but also there will be times when your team should meet **together** to discuss issues, concerns and to ensure everyone knows their role.

Don't be afraid to call the attorney (or any of your experts)! It is likely less expensive to seek advice and guidance early on than waiting for the problem to be out of control. As we often say, "we are not magicians," so we cannot change the facts. However, we can create a course of action that can avoid future obstacles.

Don't be afraid to discuss concerns related to other Board members **with one another**. There are times when it may appear a Board member has a conflict of interest—convey your concerns to the Board member—hear him out! There are times when a Board member may step out of line—convey your concerns to the Board member—hear him out! Have this discussions with the entire board and either face to face or in a virtual meeting. DO NOT have the discussion by e-mail. Remember, you all are running a business so when you speak to one another about difficult situations, remain respectful and treat others as you would want to be treated. Also, treat others on the Board like you would treat your co-workers. You do not all have to be friends, but you have to work together in the best interest of the association.

Follow your gut! If your red flag is up, listen to it. Communicate with one another and those on the team as soon as the issue surfaces. Talk about the issue and develop a plan. Make sure everyone knows their role in the plan.

Avoid the same mistakes from last year!

As a Board, you should review the past year, what worked and what did not work. Ask management what worked well and what they believe could be better in 2023. Ask your attorney the same question. Every association should have goals to make this a better community for all. Every person on the Board has an agenda so takes those agendas and establish goals that will help the association. Remember, we are talking about people's homes! Let's do all we can to make it an enjoyable community for all. After all, bad reputations spread quickly and can affect marketability of the homes within the community.

As stated above, Board members have to work together. It is not uncommon that power struggles occur within a Board. Remember, no one benefits from that. Also, no one Board member has any more power or control than another. The Board can only act by majority

approval. Avoid the mistakes from last year when you failed to work together.

Avoid communicating as a Board via e-mail. E-mails are easy, but they can be problematic. Tone is read within e-mails. People feel “freer” and less respectful when communicating via e-mail. E-mails create a paper trail that can also be problematic. As we have learned so much about how to conduct virtual meetings, save the discussions for a meeting, when everyone can be present and voice their concerns. Practice what we tell our teenagers—do not put something in an email you would not want your principal to see!

Review your policies, procedures and rules!

Review your rules and regulations and talk about violations or problems that continue to reappear within the association. Discuss with management and the attorney your enforcement concerns so problems can be solved. Amending rules and regulations is a Board function, and it is an action that can provide a Board with powerful tools.

At least six months before your annual meeting, talk about last year’s meeting, what worked and what did not. Also, allow plenty of time to allow your annual meeting documents and processes to be reviewed by legal counsel. We are learning new tricks every day on how to make annual meetings more efficient and which encourage more owners to participate!

Review your collection policy. If you adopted a collection policy that is over two years old, review it and make sure it is meeting your needs. Ask management and legal if they have concerns or recommendations related to the collection policy.

Have a policy for communication among the Board members and/or management in place, i.e., who is the primary contact with vendors; how do Board members convey their ideas to the Board; can Board members come and go within the management office as they desire; how should e-mail be used; what should a Board member do when they are approached by a unit owner.

Have policies in place to address more common issues. Adopt or review an anti-discrimination/harassment policy. Adopt or review a policy on how to address requests for accommodations and modifications.

Be open to change and learning!

We have attorneys that have been practicing in this industry for over 26 years and over the years, our advice and recommendations have changed. We have evolved with the times. We have learned new tricks. (And yes, we have followed some “old” tips, advice and opinions that are classic.) But times are different, and we have to be ready to do things differently. Be open to that change!

Last, do not be so hard on yourselves! Do the best you can and strive only for progress.

Every community association is different. We may be able to provide you and your community with more specific suggestions and recommendations. If you would like to talk about it further, please call us as now is the time to start fresh!

Scheduling a Board business meeting (often the budget meeting) the same night as the annual election.

We get it, because of contracted meeting times, as well as Board member availability, there is a desire to squeeze as much business as possible onto a meeting date—including on the date of the annual election. In many cases, there is no issue with scheduling a Board business meeting the same night as the annual election. This may be because there are either (a) no new candidates running for the Board or (b) no hope of reaching quorum to conduct the annual meeting. However, in all other circumstances, scheduling a Board meeting (other than just for the purpose of electing officers) may have not only perception issues, but also practical concerns.

In many instances, an annual election can dramatically change the make-up of the Board of Directors. Those individuals making important decisions (which could include the adoption of the annual budget) immediately prior to the annual election may not remain on the Board when the annual election occurs minutes later. Making those decisions immediately prior the annual election often leaves a bad taste behind for the members. It may appear (rightfully or wrongfully) that an agenda is being pushed through regardless of the actual desires of the community (which could be to have other people in charge of the association). While we understand the desire of the prior Board to finish the business it started, it is important to remember that even if a current Board approved a course of action, a new Board, minutes or days later, may undo that action.

In order to avoid those perceptions, some associations schedule their Board business meeting to occur immediately following the annual election. Again, while a meeting should be held for the purpose of electing officers, it may not be advisable to schedule a full Board business meeting following the annual election. In short, we want Board meetings to be productive. That requires, among other things, that Board members come prepared to the meeting by reading their Board packets. As Board packets contain confidential information, they cannot be disseminated to non-Board members. Therefore, when it is unclear who the Board will consist of prior to the occurrence of the election, how can you ensure that the appropriate parties have access to the Board packet? You cannot. Therefore, rather than risk providing confidential information to non-Board members (or soon-to-be non-Board members) or attempt to conduct business with new members, who are uninformed, it is best to schedule the first Board business meeting for a date other than the annual election.

Therefore, even though your association has always scheduled the budget meeting for the same night as the annual election, it may be time to rethink this and to start planning to separate the meetings starting in 2023. Doing so will help keep association business streamlined, while not potentially creating problems (either actual or perceived).

If you have any questions or we can be of assistance to you and your community, please do not hesitate to contact us. Thank you for your support.

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