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Conducting Association Business in the Summer

With the Arizona temperatures rising, you may find that many board members are traveling to cooler climates for the summer. Even with several board members out of state, it is still possible for the board to conduct association business.

Pursuant to Arizona law, all meetings of the association must be conducted in the state of Arizona. This requirement helps ensure that all members of the association are allowed to attend and participate in the meetings.

The board members may appear telephonically through a conference call to conduct their meeting, providing the meeting location is in Arizona. A board member or the property manager must set up a speaker phone in the noticed Arizona location for the meeting. All board members and the membership must be able to hear one another. The use of a speakerphone allows for this two-way communication between the out of state board member(s), board member(s) who may be in Arizona and the membership.

Pursuant to Section 10-3821 of the Arizona Non-Profit Corporation Act, the board may also conduct business through Action by Unanimous Written Consent in Lieu of a Meeting. Decisions made by this action must be unanimous, meaning all members of the board must agree to the proposed form of action. Unanimous written consent is useful for making routine decisions, such as renewing the association's insurance policy. The board may use email to obtain unanimous consent in writing. However, if discussion and deliberation among the board is necessary to make a decision, a regular meeting should be conducted. Any discussions without noticing a meeting would be in violation of the Arizona Open Meetings Law, as the membership would not have the opportunity to hear the conversation and participate before a decision is made. Because the membership has a right to attend and participate in meetings of the board, our firm recommends that action by unanimous written consent be used sparingly.

Arizona law requires that the association provide at least 48 hours in advance notice to its members of any regular and board of director meetings. However, there is an exception for emergency meetings. Emergency board meetings do *not* require 48 hours notice if circumstances require the board take action before notice can be given. For example, a water leak that can do extensive damage requires that the board respond immediately to find repair personnel and authorize repair of the leak. In this instance, the board may conduct an emergency meeting without notice to the membership. If the board takes actions at an emergency board meeting, those actions should be recorded and placed in the minutes of the next board meeting to be voted on and approved. Our firm recommends if the board does not have to take immediate action, and it is possible to wait 48 hours, the board provides the 48 hour notice to the membership and conducts the meeting with the membership.

Several if not all, of the association's board members may be out of state for the summer. However, this does not prevent the association from conducting business. The summer is still a great time to accomplish the association's goals!