

# HOA WORKSHOP

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Executive Director – CAI-MN

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# OUTLINE

- ▶ Governing Documents
- ▶ Governance
- ▶ BOD Participation
- ▶ Conflict Resolution
- ▶ Accountability
- ▶ The Role of CAI

# GOVERNING DOCUMENTS

- ▶ MCIOA (MN Statute 515B)
- ▶ MN Non-profit Act (317A)
- ▶ Articles of Incorporation
- ▶ Plat Map
- ▶ Declaration
- ▶ Bylaws
- ▶ Rules & Regulations

# GOVERNING DOCUMENTS – TOOLS

- ▶ Maintenance Grid
- ▶ Reserve Study
- ▶ PMP – Property  
Maintenance Plan

# CONFLICT RESOLUTION

- ▶ HOA Accountability
  - ▶ County, City, HOA
- ▶ ~~Attorney General~~
  - ▶ My CAI Story
- ▶ Mediation / Attorney
- ▶ You are accountable to each other

# BOARD MEMBER ROLES

- ▶ President/Chair (required in MN)
- ▶ Vice President
- ▶ Secretary
- ▶ Treasurer (required in MN)
- ▶ Member at Large

## BOARD OF DIRECTORS

- ▶ Know your documents.
- ▶ Communicate
- ▶ Listen
- ▶ Plan
- ▶ **MAKE** sound legal and fiduciary **DECISIONS.**



# BOARD OF DIRECTORS

The primary role of the BOARD is to set policy and make decisions.

# ASSOCIATION MANAGER

The primary role of the Manager is to advise the Board of Directors and implement its decisions.

# Benefits of Living in an HOA

- \*COMMON FACILITIES (IE: POOL)
  - \*COST SAVINGS THROUGH BULK PURCHASING (IE: TRASH)
  - \*MAINTENANCE FREE LIVING
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# CHARACTERISTICS OF A CIC

- ▶ Governing Documents – binding – must be compliant
- ▶ Mandatory membership
- ▶ Assessments (dues)

# Costs/Issues of Living in an HOA

\*YOU GIVE UP CONTROL

\*YOU MUST COMPLY WITH YOUR  
GOVERNING DOCUMENTS

\*YOU CANNOT ACT ON YOUR  
OWN

\*ASSOCIATION ASSESSMENTS

## ▶ Owners Rights & Responsibilities

\*VOTE

\*ELECT AND/OR REMOVE THE BOARD  
OF DIRECTORS

\*APPROVE SPECIAL ASSESSMENTS

\*AMEND GOVERNING DOCUMENTS

\*COMPLY WITH THE GOVERNING  
DOCUMENTS

\*MAINTAIN THE PROPERTY

## ▶ Owners Rights & Responsibilities

\*YOU HAVE THE POWER TO  
MAKE CHANGE

\*GET INVOLVED

\*BE RESPECTFUL

\*"*SILENCE IS CONSENT*"

# TYPES OF MEETINGS

- ▶ Board Meeting
  - ▶ Annual Meeting
  - ▶ Special Meeting



# TYPES OF MEETINGS

When parts of meeting will be:

- ▶ Open vs. Closed
- ▶ Executive Session

## Electronic Voting – Voting by Email

- \*ALL BOARD MEMBERS MUST VOTE
- \*MUST BE A UNANIMOUS VOTE TO PASS  
(UNLESS GOVERNING DOCS SAY OTHERWISE)
- \*IF PASSED, MUST RATIFY THE VOTE AT  
THE NEXT BOARD MEETING

# WHEN CONFLICTS ARISE

- \*ALWAYS CHECK YOUR GOVERNING DOCUMENTS FIRST\*
  - \*WORK IT OUT WITH YOUR NEIGHBOR
  - \*TALK TO THE MANAGEMENT COMPANY
  - \*TALK TO THE BOARD OF DIRECTORS
  - \*YOU MAY NEED TO HIRE AN ATTORNEY
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# RESOURCES

\*MINNESOTA STATE STATUTES

\*COMMUNITY ASSOCIATIONS INSTITUTE (CAI)

\*MINNESOTA MULTI HOUSING ASSOCIATION  
(MMHA)

*(THE ATTORNEY GENERAL'S OFFICE DOES NOT  
GET INVOLVED IN HOA DISPUTES)*



# THANK YOU!

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