The Role of The Angell Brook Village Condominium Trust Including Board of Trustees’ Job Descriptions

(A/O 6/2018)

Governance, Operations and Background

The Angell Brook Village (ABV) Condominium Trust and its Board of Trustees is responsible for the assets as well as the operation of the Trust, in accordance with standards established by state and federal law, local ordinances, and the governing documents upon which the Condominium Trust was created.

The Condominium Trust Concept

The ABV Condominium Trust is the cornerstone of the ABV condominium community. Through its Board of Trustees it brings continuity and order to the community, preserves architectural integrity, maintains the common elements, and oversees daily operations. The Trust promotes the concept of "community" and protects and enhances the condominium’s property values.

Deed-initiated condominium trusts such as ABV, require certain codes of conduct from unit owners. With unit purchase owners assume maintenance obligations, financial responsibilities, and a commitment to comply with use restrictions and other rules of the Trust. To a significant degree, this code necessitates individual conformity for the good of the whole. The implementation of these obligations and responsibilities at ABV is coordinated and conducted by the ABV Board of Trustees. The trustees' responsibilities also include planning and policy formulation. ABV officers and trustees have a duty to govern the community with fairness and good judgment.

The ABV Trust acts through its officers and agents. The ABV Board of Trustees makes the policies for the trust and the officers and agents carry out these policies and administrative functions for the community. All of the officers have an affirmative obligation to act with utmost good faith towards the Trust and owners and cannot deal in the funds or the property of the Trust to their own self-advantage.
Board of Trustees

The ABV Board of Trustees has responsibility for common elements of the condominium as well as the management and operation of the Trust’s business affairs - all in accordance with standards, rules and authority established by the governing documents, created when the community was first developed, and amendments recorded thereafter. Pursuant to the by-laws, members of the ABV Board of Trustees serve without compensation. The Declaration of Trust includes all of the powers and duties enumerated in general law, as long as these powers are consistent with the provisions of the documents governing the association.

The officers, duties and job descriptions below reflect both the customary duties and the current composition and assignments of the Angell Brook Village Condominium Board of Trustees. As retirements, resignations and new elections require they will be adjusted to reflect contemporary conditions. At the least, they will be reviewed and rewritten as needed annually at the first meeting of the Board after the April Annual Meeting. However, the general assignments of officers and their duties (Chairperson, Vice Chairperson, Secretary Treasurer and Assistant Treasurer) will be maintained. By convention the Nominating Committee of ABV, both for trustees and officers, is the full board.

Officers of the Board of Trustees

Chairperson
The Chairperson of the ABV Board of Trustees, when acting with the authority of a majority of the board, is the executive authority of the board. She/he prepares the agenda and presides at all meetings of the board and the membership. The Chairperson and Treasurer are the Contracting Officers and the Chairperson is the Contract Representative (COR) of the Trust. In its current configuration, the Management Company along with the Board of Trustees solicits bids and manages all contracts on a day-to-day basis. The Chairperson with a majority approval of the Board executes orders and other documents in the name of the Trust as its agent.

The Chairperson oversees and directs the Management Company as it conducts the day-to-day administration of ABV and has the authority, when authorized by a majority of the board, to order specific actions in furtherance of the board's policies. The Chairperson and the Treasurer are the board-designated contacts with the Management Company’s Property Manager and the Management Company President. The Chairperson serves as spokesman for the Board of Trustees and the Trust in all matters relating to Trust’s business and policies unless that role is assigned by a majority of the Board to another Trustee Member. Like all officers of Trust the Chairperson has an affirmative duty to carry out the responsibilities of the office in the best interests of the Association. The Chairperson serves at the will of the board and can be removed with or without cause at any time by a majority of the full board.
**Vice Chairperson**
The Vice Chairperson is vested with all the powers required to perform the duties of the Trust Chairperson in the absence of the Chairperson. The Vice Chairperson does not automatically possess inherent powers to act with the authority of the Chairperson and may act for the Chairperson only when the Chairperson is actually absent or otherwise unable to act. The Vice Chairperson may assume such additional duties as are defined by the Board of Trustees, and may chair one or more substantive committees, or oversee specific projects at the request of the board. The Vice Chairperson serves at the will of the board and can be removed with or without cause by a majority of the full board.

**Secretary**
The Secretary of the ABV Board of Trustees is responsible for keeping and maintaining a record of all meetings of the board and the membership and is the custodian for the official records of the Trust. The Secretary may not actually keep the minutes of the meetings, but will be responsible for obtaining someone who will do so as a Recording Secretary or Assistant Secretary. As the custodian for the minutes and other official records of the association, the Secretary is responsible for insuring access to those records by the members of the Trust and their authorized representatives. All minutes that are taken at an Executive Session must be taken by a Recording Secretary who is a member of the Board. The Secretary and Recording Secretary serve at the will of the board and can be removed with or without cause by a majority of the full board.

**Treasurer**
The Treasurer is the custodian of the funds, securities and financial records of the Trust. Also, the Treasurer, together with the Chairperson signs all contracts. While the Trust’s Management Company actually handles the funds on a daily basis, the Treasurer’s duties include arranging with the Management Company for board authorization of all bill payments and expenditures and overseeing the appropriate people to insure that the ABV financial records and reports are properly kept and maintained. The Treasurer is responsible for coordinating the development of the proposed annual budget and for preparing and giving the annual financial report on the financial status of the association.

The Treasurer does not have the sole authority to bind the Trust or the Board of Trustees in dealings with third parties. Together with the Chairperson and when authorized by a majority of the Board Members may engage in third party dealings and contracts. As with the Secretary, the Treasurer does not perform the day-to-day record keeping of the Trust, a function handled by the Management Company. The Treasurer is ultimately responsible for insuring that the financial records of the Trust have been maintained properly in accordance with sound accounting practices. The Treasurer serves at the will of the board and can be removed with or without cause by a majority of the full board.
Assistant Treasurer
The Assistant Treasurer works with and supports the Treasurer to ensure that all of the Association’s financial matters are handled and reported appropriately, and in accordance with sound accounting practices.

The Assistant Treasurer is vested with all the powers required to perform the duties of the Treasurer in the absence of the Treasurer. The Assistant Treasurer does not automatically possess inherent powers to act with the authority of the Treasurer and may act for the Treasurer only when the Treasurer is actually absent or otherwise unable to act. The Assistant Treasurer may assume such additional duties as are defined by the Board of Trustees, and may chair one or more substantive committees, or oversee specific projects at the request of the board.

The Assistant Treasurer, along with the Treasurer, must define and execute a substantive cross-training/knowledge transfer plan to ensure functional continuity in the event the Treasurer is absent or otherwise unable to act. The Assistant Treasurer serves at the will of the board and can be removed with or without cause by a majority of the full board.

In addition to the above, the ABV Board of Trustees functions with the following chartered committees: Budget, Clubhouse, Disaster Preparedness Committee, Engineering, Legal and Legislative, Landscape/Decorations and Compliance Committee. Board members and non-elected unit owners serve on committees. The full board serves as the Strategic Planning Committee. It has been an ABV convention that Chairpersons of committees be elected by the committee and is sometimes not a sitting board member. Only the Clubhouse Committee is so constituted but has an appointed liaison from the Board. All committee chairpersons and members of committees serve at the will of the board and can be removed with or without cause by a majority of the full board.

Fiduciary Relationship and Responsibility
The members of the ABV Board of Trustees and each officer of the Trust have a fiduciary relationship with the owners of ABV. This fiduciary relationship imposes obligations of trust and confidence in favor of the Trust and its members. It precludes self-dealing and conflicts of interest and requires the members of the board to act in good faith and in the best interests of the owners of ABV. The fiduciary relationship means that board members must exercise due care and diligence when acting for the community, and it requires them to act within the scope of their authority.

The fact that the Trust is a not-for-profit corporation, or that the members of the board are volunteers and unpaid, does not relieve them from the high standards of trust and responsibility that the fiduciary relationship requires. When a member accepts a position on the board, he or she is presumed to have knowledge of the duties and responsibilities of a board member. Board members cannot be excused from improper
action on the grounds of ignorance or inexperience and liability of board members for negligence and mismanagement exists in favor of the association and the property owners.

Each ABV board member recognizes the fiduciary relationship and the responsibilities that the board has to the association and each of its owners. The board's duties must be performed with the care and responsibility that an ordinary prudent person would exercise under similar circumstances, and the ultimate responsibilities of these unique positions cannot be delegated to a Manager, a Management Company or other third party.

**A Recap of the ABV Board Member's Role**

Acting through the Board as a whole and in partnership with the Management Company, a member of the ABV Board of Trustees should:

- Enforce the governing documents
- Establish sound fiscal policies and maintain accurate records
- Develop a workable budget, keeping in mind the needs, requirements and expectations of the community
- Establish and preserve reserve funds
- Act on budget items and determine assessment rates
- Collect assessments
- Establish, publicize, and enforce rules and penalties
- Authorize legal action against owners who do not comply with the rules
- Review local laws before passing rules or sending bylaws to membership for approval
- Appoint committees and delegate authority to them
- Select an attorney, an auditor, insurance agent and other professionals for the association
- Provide adequate insurance coverage, as required by the bylaws and local governmental agencies
- Inform board members of all business items that require their vote
- Inform members of important board decisions and transactions
- See that the association is protected for the acts of all parties with fiscal responsibilities
- Attend and participate at meetings

Finally, operating Angell Brook Village Condominium Trust carries with it many of the very same duties and responsibilities as overseeing any other business. Serving as an ABV Trustee should be viewed as an opportunity to serve fellow owners by protecting and enhancing the assets of the community.