

Opinion

Removal of A Director — Legal vs Moral

At the special Third Mutual Board Meeting held at 4:00 pm on March 3, 2009, directors, legal counsel and residents spent an inordinate amount of time arguing the legality of the action to remove a Director from the Board. As is common with many Boards, we again see the result of placing the cart before the horse. Who cares if it is legal or not, the question to be answered first is, "IS IT MORAL?"

These interpretations from the meeting help answer that question: New members should keep a low profile until he, or she, learns exactly what is going on and if they do not, it is grounds for removal. If one member of the Board sues another, the director with the least time on the board should be removed. Asking for security protection as a result of being hit by the President's water bottle, thereby costing the mutual money, justifies removal. Recommending an attorney that a Director is familiar with when the Board was looking for their own attorney, justifies removal. Suggesting that the mutual determine if there is a backup Management Company who could service the Third Mutual is grounds for removal (PCM has in the past threatened to cancel our management agreement a number of times). Responding to media questions after being hit and injured by the President's water bottle is

grounds for removal. Boards can only move forward when there is consensus and any who appears to impede that, should be removed.

Now with all of those "quality" justifications for removal presented to the Board, we might want to review the action of some of the past couple of years activities to see how many other directors qualify for a similar action.

Being on the "RIGHT" side of an argument is not always discernable. When listening to the comments at the meeting, it seems that "RIGHT" is defined by being, "The last one speaking." The President has our vote. She manages to get in first, in the middle, and at the end on all the topics that are discussed.

A couple of thousand years ago it was suggested that ... , "the one who is faultless should throw the first bottle." If this criteria was applied we might work our way down to one Board member (not sure if he/she could remove themselves), but there is little doubt that one of the six "Ayes" would be the last one standing.

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