

apm NEWS

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A Day in the Life of a Community Association Manager

BY JOHN R. MATH, LCAM

Today, Licensed Community Association Managers have more duties and more responsibilities than ever. Their positions require them to be well versed in many areas of law, accounting, maintenance, management and supervision. Their days start early and usually end late. They are on call 24 hours a day, 7 days a week for emergencies. They are expected to act efficiently, professionally and quickly in all matters and for several clients, simultaneously.

Community Association Managers' jobs are very unique and when a manager has multiple associations to attend to it is even more difficult. The manager has to pick and choose, based on all current problems which is more important than another. This can cause problems with some residents, as someone who is not being attended to at that time believes that their problem or situation is more important than any other! The manager has a limited amount of time in which to operate and in times of hurricanes and the aftermath, hardly any time to manage normal problems. The stress levels are incredibly high and the paperwork and telephone calls are almost impossible to keep up with. I applaud today's managers for what they accomplish day in and day out. They really do have impossible jobs to perform. The best thing we can do for our managers is to back them up, support them and stand behind them in good times and bad. If you do this for

your manager, they will go the extra mile for you and your residents.

A typical day starts with the manager clearing their voice mail messages, retrieving their emails and reading any mail that was delivered the day before. The most important items of an emergency nature, or something that may affect that days schedule are handled immediately. The manager may then have scheduled site visits to make or appointments with vendors, maintenance personnel or other professionals to meet.

While this is happening, there are additional phone calls that are occurring from Owners, potential purchasers and renters, brokers, vendors, contractors and Board members on any matter that they feel is important.

Paperwork and administrative items that a manager handles on a daily basis may be anything from handling a sales or rental application, coding invoices for payment, making up agendas and meeting notices, answering correspondence, coordinating collection matters, drafting minutes of meetings, to receiving and reviewing contractor and service quotes and contracts. A manager will also handle or coordinate violation and fines committee paperwork, ARC files and applications. Sales and rental applications and the numerous telephone calls from the Broker, the Seller, the Buyer, the Tenant, the Landlord, the Title Company, the Closing Agent and the Approval Committee all take time (and

this just for one transfer!).

If a manager did not have to handle these "time wasters" they could devote their time to more important association matters. Violation letters take a tremendous amount of time, not only compiling the information on site and the generation of the paperwork but also with the numerous phone calls of protest from the offended owners.

At budget time and annual meeting time, the manager is involved with the process of compiling these documents and making sure that they are properly drafted and written and distributed correctly. On any given day, depending on the time of the week, month, quarter and year, a manager will be involved in any of the following:

Approval of accounts payable; Review of accounts receivable; Affidavits of assessments, mailings and notices; Preparation of meeting agendas; Processing of applications for alterations; Coordinating document amendments; Coordination of processing of Annual Corporate Report; Coordination of Annual Fee Report; Annual Meeting coordination and preparation; Take calls from answering service after hours; Coordinate approvals of rentals; re-sales and clubhouse; ARC Correspondence; Coordinate billing of all assessments; Review of audit requirements; Coordinate ballot preparations; Assist in coordination of banking matters; Coordinate bid process on contracts and services; Coordinate Board of Directors Meetings; Review Board of

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Health Reports and take action; Coordinate Budget Meetings; Assist in Budget Preparation; Coordinate and assist in CD Renewal; Coordinate Certificate of Approval process; Coordinate check signing process; Meet with association liaison per contract; Coding of invoices; Meet with committees; Coordinate with association attorney; Oversee and supervise contracts; Review Correspondence; Record activities in daily log; Review delinquent lists; Coordinate sending delinquent owners to collections; Review and coordinate demand letters; Handle any elevator problems; Coordinate elevators inspections; Respond to any emergencies; Assist in emergency preparedness; Respond to any emergency service calls; Coordinate estoppels; File records; Oversee the distribution of financial statements; Review financial statements; Coordinate foreclosure process; Keep forms up to date; Oversee and supervise grounds and lawn maintenance; Coordinate income tax; Report any injuries; Assist in any insurance bidding, claims and renewal; Provide inspections of property; Conduct inventory of client property; Approve any invoices and code; Provide key management; Supervise lake maintenance; Review late letters; Coordinate any legal disputes; Produce and coordinate letter writing; Coordinate the lien process; Supervise lighting maintenance; Produce managers' reports; Coordinate mass mailings; Produce and compile meeting minutes; Produce and post meeting notices; Coordinate and assist in membership meetings; Coordinate and assist in membership meetings; Coordinate notary service; Coordinate petty cash; Handle and police reports and coordinate with insurance carriers; Supervise pool maintenance; Post association notices; Preparation for meetings; Coordinate proof of insurance for vendors; Compile proposals for services; Oversee proxy management; Coordinate PUD questionnaire preparation; Provide pump management and repairs; Coordinate preparation questions & answer sheets; Coordinate with Realtors on association transfer process; Re-program security gate; Coordinate reserve transfers; Coordinate review/audits, Review Documents; Provide knowledge

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Ask The Attorney

By V. Claire Wyant-Cortez, Esq

Q. Due to our high insurance premiums, our Board wants to drop our windstorm insurance and self insure our condominiums, except for our liability insurance. Can they do this? My lender requires that there be insurance on our buildings. Is this legal?

A. An association may self-insure against claims against the association, the association property, and the condominium property if compliance is followed according to sections 624.460-624.488, Florida Statutes. However, a unit-owner controlled condominium association must use its best efforts to obtain and maintain adequate insurance to protect the association, the association property and the common elements. There may be further requirements in your particular association documents and the statutes.

Q. Our Board had a special assessment for hurricane damages. They did not spend all of the money and at our Budget Meeting they said that they are now using this money for the increase in our insurance premiums. The special assessment was not for this purpose. Shouldn't they return the unspent money to us? Can they apply the unspent special assessment to our regular assessments?

A. Chapters 718 and 719, Florida Statutes, do not specifically address what happens to excess funds of the association. The Condominium Act provides that unit owners own the common surplus in the same shares as their ownership interest in the common elements. Further, upon the completion of the specific purpose or purposes of a special assessment, any excess funds will be considered common surplus, and may, at the discretion of the board, either be returned to the unit owners or applied as a credit toward future assessments.

V. Claire Wyant-Cortez is a partner in the firm of Hilley & Wyant-Cortez, P.A. which represents associations in Palm Beach and Broward counties. The firm takes pride in its personalized approach to working with associations and is located in North Palm Beach. Their telephone number is 561-627-0009. Their E-mail address is vcwyant@bellsouth.net

REMINDERS!

1. Be sure to update your files to include a new Question & Answer Sheet as of January 1, 2007.
2. Fees to the Division are coming due and are late if not paid by January 1, 2007. The amount is \$4.00 per unit for all condominiums and cooperatives.
3. Corporate Annual Reports will soon be mailed and must be filled out and received by the Secretary of State by May 1, 2007. The Fee is \$61.25 for Not-For-Profit Corporations.

Proper Association Amendment Procedures

By V. Claire Wyant-Cortez, Esq.

Many associations come to the realization that their Declaration, Bylaws and/or Articles of Incorporation, are either outdated, ambiguous or otherwise want to change them. This is common and sometimes a necessary part of being an association as it is often difficult to predict all scenarios when the original documents are drafted. This is true for a variety of reasons, some being changing times and others being a change in the make up of the membership and others is simply that the original documents were poorly drafted. Regardless of the reason, the first step for an association to take when they are interested in amending their Declaration, Bylaws and/or Articles of Incorporation, hereinafter referred to as the Association's "Governing Documents", is for the Board of Directors to contact its attorney to discuss same. Only an experienced association attorney should draft (proposed then final) amendments to an association's Governing Documents. The association's attorney will draft the proposed amendments in a form consistent with legal requirements within the realm as suggested by the Board of Directors. However, it is up to the association's membership to pass any amendments to the association's Governing Documents. In other words, the association's Board of Directors can not pass amendments without going through the proper procedure which initially is a membership vote and approval to pass.

Each association is different and accordingly, amendments must be tailored to fit each association. While it may seem a simple task to ask, amending one's Governing Documents is typically a complex task and often amending a provision (section) of one governing document leads to a requirement to amend another section within that same document or even a provision in another governing document of the association. For example, if you amend a provision in the Declaration but don't amend its counterpart in the Bylaws, then you end up with ambiguous documents. Accordingly, when amendments are being proposed, it is typical for an attorney to spend time reviewing all provisions of the association's Governing Documents to assure that any ambiguities are addressed accurately. All amendments should be drafted in clear and concise language, avoiding ambiguity and room for disagreement in the interpretation of the language used. Further, an association's Governing Documents should comply with Florida Statutes and as such, any amendments must comply with same and it is suggested, when easily achievable, to bring your association's governing documents into compliance with an amendment, if necessary.

Once the proposed amendments are drafted and approved by the Board of Directors, they must be mailed to each member of the Association for review and a vote. The full text of the specific provisions to be amended must be included with new words underlined and words to be deleted stricken through (stricken). If the change is too extensive and would hinder, rather than assist, the understanding of the proposed amendment is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of _____. See _____ for present text."

The membership approval requirement for passing amendments

vary from association to association. Some associations are allowed to take a written vote in lieu of a meeting and others require members to cast their vote in person and/or by proxy at a duly called meeting. Your association attorney will be able to review your association's Governing Documents to determine your association's specific requirements. Those requirements should be located within the Governing Document itself, which should be consist with the provisions of Chapter 718, 719 or 720 Florida Statutes, whichever applies to your Association (Condominium, Cooperative or Homeowners). If your Governing Documents fail to provide a method of amendment, Florida Statutes provide for a method, typically either a majority of the membership or two-thirds of the voting interests at a duly called meeting, please consult your legal counsel to determine your association's approval requirements.

Please note that many associations have difficulty getting membership involvement. Hence, if the association's requirement to amend its Governing Documents is two-thirds (2/3rds) of the membership, a suggestion is to amend that provision and require something less. One of the most liberal membership approval provisions is to require a majority of those members voting in person or by proxy at a duly called meeting of the members. What this means is that only a majority of a quorum is required. A quorum of the membership is either defined in your association's Governing Documents and if not, then it is defined by statute (1/3 of the voting interests for homeowner association pursuant to Florida Statute 720 and a majority of the voting interests for condominium associations pursuant to Florida Statute 718).

Once the membership has approved an amendment, the Board of Directors signs a Resolution adopting the amendment and has the Resolution recorded in the Official Records of the county where the property lies. Amendments to the governing documents become effective upon recording in the public records. After recording the Resolution, the association must mail a copy of the recorded amendment(s) to its members (at the last address on file) in order for the membership to be made aware of the changes. It is recommended that a letter to the membership be sent along with a copy of the recorded amendment(s) highlighting the changes and encouraging the membership to become familiar with same. Please note that there may be additional requirements, such as amendments to condominium articles of incorporation or bylaws are not valid unless recorded with identification on the first page thereof of the book and page of the public records where the declaration of each condominium operated by the association is recorded pursuant to Florida Statute 718.112(1)(b).

You are strongly encouraged to seek your counsel from your association attorney to discuss the particulars of your association relating to legal matters, including but not limited to amending association Governing Documents. This article is only meant to be a summary and for reference only.

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of Robert's Rules of Order; Coordinate roof leak repairs; Provide rules enforcement; Schedule projects; Assist and coordinate in setting of timers; Coordinate sign-in sheets; Assist with special assessment procedures; Assist in compiling project specifications; Coordinate any state reports; Assist in any storm preparation; Supervise employees; Handle any telephone inquiries; Assist and coordinate in any termite/pest problems; Assist title companies with inquiries and transfers; Provide transfer documentation; Supervise tree trimming; Provide unit owner updates; Assist in update/maintenance of database; Updates to 718, 719 and 720 Florida Statutes; Coordinate handling of any vandalism; Coordinate Vendor proof of insurance; Assist in any vendor correspondence; Produce any violation letters; Retrieve voice mail; Coordinate voting certificates; Attend any pertinent workshops to better their profession and to maintain their license.

Take all of these events, procedures and duties and then multiply them based on the manager's number of communities or units that they are handling. You can see that they have extremely difficult jobs, for relatively low compensation.

Next time your manager is stressed, realize that they are handling multiple problems and duties at the same time, and be more patient with them. When handling difficult situations with owners and Board members, back them up and support them, they need your cooperation and help. In turn, they will be loyal and protective of your Board, as you are then working as a *team* and for the same goals.

Associated Property Management of the Palm Beaches, Inc., is an nineteen-year-old full-service association management firm. APM serves more than 125 associations in Palm Beach County. If you have any questions or comments, you may contact us at 1928 Lake Worth Road, Lake Worth, Florida 33461. Please call us at 561-588-7210, or you may email us at assocpropmgt@bellsouth.net at any time.

USEFUL WEBSITES FOR YOUR ASSOCIATION

Associated Property Management
561-588-7210 or www.assocpropmgt.com

Florida Department of State
904-487-6000 or www.sunbiz.org

South Florida Water Management District
561-686-8800 or www.sfwmd.gov/index

Palm Beach County Property Appraiser
561-355-3230 or www.pbcgov.com/papa/

Florida Division of Emergency Management
850-413-9900 or www.floridadisaster.org

Palm Beach County Div. of Emergency Mgt.
561-712-6400 or www.co.palm-beach.fl.us/eoc