

## Association Management Duties and Responsibilities

### Agreement

This is a summary of duties from our management contract. Our responsibilities are limited to the common areas of the project as defined in the Declaration of Covenants, Conditions and Restrictions (CC&R's) and the Association shall protect the management from all damage suits in connection with the management of the common areas.

### General Responsibilities

- Provide association information to others when properties are sold.
- Receive all calls and correspondence and respond to residents and owners requests.
- Correspond with residents who are not meeting specific CC&R requirements. (Note 1)
- Educate board and committee members on their duties.
- Keep board and association members aware of current legal issues.
- Help board to operate the association as defined in the CC&R's

### Accounting

- Assist in preparation of annual budget and year-end financial reports and distribute to owners as required by law.
- Retain reserves and operating accounts in qualified bank.
- Prepare income and expense statements on a cash basis.
- Prepare and mail delinquency reports to the Board.
- Prepare and mail reserve reports to Board.
- Maintain accounting on individual assessment accounts for each owner.
- Prepare monthly assessment billings, send to owners, collect assessments from each owner, and prepare delinquent notices for owners. Follow delinquent accounts to collection.
- Verify accounts payable and check invoices before paying bills to vendors and employees.
- Maintain association financial records.
- Prepare financial correspondence as required.
- Complete government reports as required.

### Property Protection

- Recommend insurance coverage as required to protect the property.
- Prepare insurance specifications and assist the Board in the placement of insurance coverage for fire, general liability, fidelity bonds, and other approved forms of insurance coverage.
- Assist in processing of association insurance claims.
- Establish and maintain current insurance files.
- Have on call representative for emergency requests 24/7.

## Meetings

- Mail notices, proxies, etc. Post notices of meetings.
- Prepare agenda for Board meetings and Annual meeting.
- Attend quarterly board meetings and annual meeting. (note 2)
- Take minutes at board meetings, prepare and provide to owners.
- Prepare reports as directed by the Board at an additional cost to the association.
- Attend special association meetings which could be at additional cost.

## Records & Correspondence

- Maintain files for the association.
- Maintain correspondence for the association.
- Prepare and mail newsletters with billings.
- Maintain current owner lists and files.
- Provide special mailings as requested by the board.

## Physical

- Keep record of all association furniture, equipment, tools and supplies.
- Oversee maintenance and landscaping.
- Negotiate and maintain contracts for utilities, trash, and other services.
- Recruit, hire, train and supervise maintenance personnel.
- Work with contractors to make sure common areas are maintained to specifications of association board.
- Weekly maintenance inspections and reports.
- Maintain keys for common area facilities.
- Order and supervise all maintenance work. (note 3)
- Prepare bid specifications and solicit bids for contracted services.
- Maintain plans and specifications for project, if available.
- Check for damage weekly.
- Make sure gates and directories are cleaned weekly.
- Make sure entry lights and project lights are changed weekly or as needed.
- Change listings on phone directory as needed.

Note 1 - CC&R violation correspondence with homeowners. **This service is expressly related to providing notification to residents that do not comply with CC&R's and are found in violation. It has been determined that it is difficult to establish if a violation has taken place and every association has differing criteria which do not allow for easy recognition. Our company cannot determine violators, we will on occasion, as will others residents, etc, suggest those that we think are in violation, but it must be the board of directors that determines if the resident is in violation. We will not be held responsible for subjective determinations of who is found to be in violation.**

## Violation Steps

### Step 1

The first step for the association is to find, receive or be notified of a problem, if residents conclude there is a problem then the complaint must be put in writing. If the parties are unwilling to put the complaint in writing and there is not an obvious problem, then it will be very difficult for the association to justify taking any action to investigate the complaint.

### Step 2

The next step is to determine if there is an actual violation of the CC&R's after a problem has been identified. This can be very individual and requires parameters to be placed on this step by the board of directors. This process should be overseen very carefully by the board of directors or a trusted committee. **(The violation cannot be determined by management personnel)** It will also require written evidence, such as dates, times, identifying features, pictures, etc to verify. This evidence must continue to be ongoing until a solution is found to remedy this violation.

### Step 3

The next step is to begin the notification process, which can be lengthy and has certain legal requirements; **this is where the management company now begins to provide their service.** The association will generally start the process of CC&R or rule violation abatement with a courtesy warning letter to the problem owner. The full process should be determined in advance and will be called "The Association Fine Schedule" and it will have an outline of letters and requirements to provide the legal notification to the violator. A hearing date should be scheduled as soon as possible if the violations continue, which means a notice and an opportunity to be heard by the board of directors. The "hearing" can occur in person or through a written response provided by the accused. If there is a critical situation or obvious violation that needs immediate attention the first letter might go right to a hearing date and demand that the parties appear.

Note 2 – Board Meetings. Boards meet at different times and the minimum suggested required board meetings are quarterly. Some boards meet less often due to members responsibilities else where. If the association requires attendance at meetings exceeding the contracted amount a fee will be negotiated for this additional service required.

Note 3 – Maintenance Maintenance does not include major projects which are over \$2,500. This work requires the completion of a "Major Project Management Contract" and is subject to additional costs. Associations which are considering major work projects should determine how these are to be managed and who is qualified to do this management.