

THE COMMUNITY BUILDER

Preparing the Board for success

At this time of year, most of us have had or are planning our annual meeting to elect new board members and conduct association business. It's good to have new volunteers from the community, and as in my own association, it takes a little while to assimilate how the whole board leadership and management thing works. A good start maybe planning how to prepare your new board members. A good practice is to provide (if not already available on your website) the recorded documents, copies of the last six months of meeting minutes, the policies and procedures the current or previous board has adopted relative to collections, covenants enforcement, architectural modification procedure or process, member participation at board meetings, copies of all current contracts, and of course, at least the last three-monthly financials and managers reports. This should provide a quick study and solid background for the new board member.

With your new board members, it is also a great time to review the current policies and procedures the board has adopted to see if the information is still valid, to review any significant changes in the association's documents (by amendment) or in the statutes which could require a change in your existing policies or practices. If you haven't adopted policies and procedures, then maybe now is the time to think about them.

Policies and procedures adopted by an association are an operating process and ensure equal application to all, whether it is the enforcement of covenants, collections, architectural guidelines and procedures, formation of the agenda, handling business of the board meetings, handling owner's complaints, bidding out contracts, use of facilities, etc. While these guidelines provide structure, it should be realized policies and procedures are living documents and should be reviewed and modified or changed to keep up with the times, statutory changes or changes in the make- up of the Board. The one thing that remains constant is all changes or modifications or additions should be done in writing, be made public to the members, and different than minutes of a meeting, be adopted in a different format and kept separate and apart so that changing or amending them or reviewing them can be done efficiently. Policies should also relate back to the Minutes that reflect when they were formally adopted (i.e. Collections

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Policy, Minutes - June 2016). Again, posting them on your website or PORTAL is also a good repository for reference.

There are certain aspects to the management of a community that are the same in every state: Communities are generally all subject to the hierarchy of the documents: Declaration (Covenants, Conditions and Restrictions (CC&R's), Articles of Incorporation (or Charter) and By-laws. These are three distinct and separate parts of the "documents" that provide guidance for different aspects of the business of the Association. Communities are generally subject to some type of statute that governs condominiums, co-ops and/or homeowners' associations. These governing documents can be called statutes, horizontal property act or the Act. Almost all associations are formed subject to a Not-For Profit (or Non-Profit or Non-Stock) Corporate Act, since the purpose of the Association is not a money making enterprise such as manufacturing or selling a product for profit. Many times, in lieu of a specific set of statutes for an association, the Not-For-Profit act is the guiding principle. It is a good idea to read and become familiar with the governing documents of the association and the applicable state statutes.

By reviewing and perhaps modifying the policies and procedures the board will be aware as to what they might expect during the year. It will provide a great opportunity for understanding and working in sync for the members and the manager as well. As an additional opportunity for a successful year, Sentry Management routinely holds Board Certification classes and other educational classes for board members. We hope to see you there.