



VAM Considering Property Management



Where We Are

- At the September 9th, 2020 board meeting, the board voted to investigate what services that we would get, consider the costs, determine whether we should sign with a Property Manager and if so select one.
- Four Property Managers are under consideration.
- Two Property Managers were brought to meet with board members and owners to discuss what they can do for us.
- The budget that we will discuss and vote on this evening was approved by the board at the October 7th, 2020 board meeting. It contains a budget line item for a property manager.
- **If board and membership is in agreement we plan on signing a contract with a management company this year for 2021.**

Property Management Manager Services

Guide & advise the Board of Directors as decision-makers

Maintain a working knowledge of governing documents

Prepare a written Manager's Report for each Board Meeting

Maintain necessary email communique with the President of the Board

Provide RFP preparation & Bid Comparison for services

Monitor vendor contract renewals

Serve as Managing Agent filing biennial report with the Sec of State and DORA

Guide the Board thru setting of annual goals

Annual budget preparation & evaluation

Property Management Meetings

Board meetings: Quarterly recommended
Annual meeting
Prepare & distribute meeting notices
Create & publish Action Items List
Produce & publish Meeting Minutes
Proxy Management
Meeting room available at Management Office

Property Manager Accounting Services

Accounts Receivable:
Account setup, billing, payment processing
Distribution of assessment billing
Assessment posting
Delinquency management & collection turnover
Late fee processing; interest posting

Property Manager Accounts Payable

Invoice tracking, coding, input, scanning

Vendor set-up and administration

Check preparation, obtain auth to pay, ck sign

Management of operating & investment accounts

Reconciliation of bank accounts

Property Manager Financial Reporting

Preparation of monthly financial reports
Assist accountant w/annual audit or review
Assist accountant w/annual tax filing prep
Liaison with legal counsel on delinquent accts
Respond to Board inquiries & provide training on financials
Annual preparation of 1099s for vendors (fee based)

Property Management Owner Notices/Insurance

Notice of Annual Meeting

Notice of Assessment

Distribution of written Owner Education

Gather info needed for annual evaluation of coverage

Handling of insurance claims (via hourly rate)

Acquire certificate of insurance for all service providers

Property Management Governance

Perform periodic on-site compliance inspections

Provide governance notices per Board Policy

Provide governance reporting to the Board

Serve as Liaison between Legal Counsel & Board

Draft Policies Resolutions, as needed

Attend & advise in Governance hearings

Manage assessment of fines

Property Management Sale/Resale & Communication

Status Letter Prep (New Resident Origination)

New Member set-up; Seller file closed

Manage community services (e.g. waste, recycle)

Day-to-day Liaison with Members

Maintain documented homeowner call history

Manage community website

Distribute periodic news feed articles to promote both information & community spirit

Property Management Maintenance

Perform routine inspections of common areas
Prep & follow thru of work orders
Liaison w/contractors to task authorized directives
Provide oversight of all service contracts
Coordinate receipt of required vendor information
Provide after hours “on all” service for emergencies

Mitigation of Costs

- We were already budgeting for an Accountant/Finance Bookkeeper
- Legal Fees will be reduced.
- Overtime we would expect to get better rates for contract services with the buying power and negotiating power of a property manager.

Increase in Assessments

Cost is an additional \$20/quarter

West side dues are not going up as much due to other costs going down:
Deck repair

Quarterly Assessments With Management			
Common			
2020 Quarterly Assessment	\$570		
2021 Quarterly Assessment	\$600.00		
Increase	\$30.00		
West Side			
	West	Common	Total
2020 Quarterly Assessment	\$405	\$570	\$975
2021 Quarterly Assessment	\$380.00	\$600.00	\$980.00
Increase	-\$25.00	\$30.00	\$5.00

What if we don't like the PM

Exit clauses in Property Manager contracts vary. With one, a 30 day notice. With others more notice and additional cost to cancel the contract.

Contracts are annual.

What are the Negatives

- Cost
- We have already budgeted more for roofs than we did the previous two years. We would have put even more in the roof reserve.
- Risk we don't like the PM.

Board Motivation to hire a PM

- Amount of work that this board puts in is high
- Amount of stress that this board has is high
- Obtain professional oversight related to rule compliance. Criticism and Concern that this board is not following the rules.
- With the current level of work required without additional support, several board members are rethinking if they are willing to continue.

Owner Feedback

- Grass Roots Movement by Owners to canvass the neighborhood.
- 26 Owners are for
- 1 Owner against
- 3 Owners wanted more info



Questions