



RECRUITING BOARD MEMBERS! ADDRESSING EXCUSES!

While the position of Board Member for the Homeowners Association may be the least desirable volunteer position in the known world, it is imperative that the board consist of capable and qualified individuals. Often, the excuses to NOT serve on the board range from *"I'm too busy"*, to "Are you kidding? I would never serve on that Board!" These excuses and others typify many HOA's struggle to find qualified Board members to replace those who move away or have grown weary. Sometimes owners feel like they are not "qualified" to serve. When the discussion occurs about who will serve on the Board, people begin talking about "receivership". Receivership is when the Court appoints someone to make all the decisions without input from owners on cost or any other issue. In reality, receivership is very rare and while it could conceivably happen it is not best to coerce owners to serve with this type of tactic. Instead, let's address the "excuses".

First, the excuse that is most often heard is "I'm too busy". The issue here is that their perception is that the role of serving on the Board takes too much time, or more time than they have available. In a typical association that is NOT addressing major maintenance issues, the Board members should not have to work more than two to three hours per month. Board

Recruiting Board Members!: continued on page 3.

ANNUAL RESERVE DISCLOSURE REQUIREMENTS

Association boards are required to disclose to the owners a number of required items each and every year. The actual number of disclosures that are required each year from the board to the owners has grown over the years and now numbers over twenty items today. Several of the disclosures involve the reserves of the association. Clearly, reserves are so important, that the California legislature felt that all owners should be informed at least once a year on a number of important aspects pertaining to the adequacy of the reserve fund.

Imagine, if you were a buyer of a condominium, wouldn't it be important to know if there might be a special assessment lurking in the shadows after you close escrow. The duty of the association is to disclose this information to the owners, and it is the owner's duty to disclose this to their prospective buyers. If the association doesn't do their job, then the owner who is selling is "off the hook" since nothing was disclosed to them. The association should be most concerned about protecting itself from future liability by an owner who says "I bought my condo, and I had no idea there was a major special assessment that was about to be imposed."

So why is this information important to know now in September when the disclosures may not have to go out until November. It's simple. It will take several months to prepare for this disclosure and if it is not done in a timely way, the association will

lose its ability to increase assessments as allowed by law.

Some well-meaning boards want to save money for their association and not engage in a professional reserve study. Many believe that you must only do a reserve study every three years. The basis of this understanding comes from the fact that the law requires an "on-site" reserve study only every three years. However, the law requires that EVERY YEAR the reserve study be reviewed and updated, and the Board is required to provide owners with several items pertaining to the reserve study and approved budget.

Those items include

- a) The Executive Summary from the most recently updated reserve study.
- b) **Reserve Funding Disclosure Form/ Table -**
- c) **Assessment & Reserve Form.** The *Assessment and Reserve Funding Disclosure Summary* form shall accompany each annual budget report or summary of the annual budget report.
- d) Board statements regarding the reserve study.

The first two items can be taken directly from the prior Reserve Study. The Assessment and Reserve Form and the Board Statements will take some work.

The "Assessment & Reserve Form" contains seven questions or questions, some of which are easy and some are very difficult to

Annual Reserve Disclosure Requirements: continued on page 6.

ADDRESSING NEW OWNER CHALLENGES!

It is not uncommon in homeowner associations for a new owner to move in and be completely unaware of how living in a HOA works. The process of selling and buying a unit is complicated, and involves multiple factors, most of which are not that simple to navigate. Buyers need to qualify for a loan, conduct inspections, review hundreds of pages of documents, and all within a very short period of time. It is not unusual that buyers purchase without fully understanding the HOA rules and pertinent governing documents, along with a complete lack of awareness about their HOA.

Are there pro-active measures that HOA Boards can do to mitigate the issue of uninformed and apathetic owners purchasing units in your association? Yes! If current owners who are considering selling could be provided with some guidance in this process it would benefit both the owners and the Association in the future. Not only should owners become more knowledgeable about the process of selling, but also the Realtors who sell in the community can benefit from this information.

There are three primary areas to consider in the process of educating owners about how to sell their unit: Realtor selection, information transfer, and communication.

First, the selection of a Realtor is very important. There are many Realtors to select from and there are a few who are excellent about knowing how to sell a unit in an HOA. Realtors should be aware that when they take a condominium listing, that they are selling much more than what is in the exterior walls of the unit. They are selling a community, which may be just as important as the unit itself.

Great realtors will obtain the critical HOA documents as soon as they have the property listed, especially the Rules and Regulations and budget, and post them in the MLS. Realtors will inquire of the seller as to any sign

requirements and comply with them. A good practice will be for the listing agent to become familiar with any rules or restrictions pertaining to pets and guest parking issues so that this type of information can be provided to prospective buyers. It will also be helpful to know up front some important information that will impact future financing, such as the owner occupancy rate, the percentage of delinquencies, and the reserve funding level in the budget.

Secondly, realtors are required to provide a large number of disclosures as mandated by law to the buyer and seller. This does not include the large number of HOA documents that a buyer should receive and review as well. You can see how easy it is for a buyer and their realtor to hurriedly plow through the hundreds of pages that are involved in buying a condominium. If everything were to be read, the escrow period would need to be increased to allow for this. Many times, the documents have to be accepted in a very short period of time. The buyer's agent should insist that the buyer focus on some very key pieces of information. Examples of this important information would include the following:

- 1) Most recent annual disclosures (Annual Budget report, Annual Policy Statements)
- 2) Recent minutes, up to a year if available
- 3) The most recent financial statement, including a "budget comparison" report
- 4) The reserve study (included in Annual Budget Report). Pay attention to the percentage of funding.
- 5) Rules and Regulations and fine policy
- 6) C.C. & R.'s and By-laws; Both sets of documents can be quickly scanned, and dwell on information pertaining to "Use Restrictions" and other rules that may exist in the community.

The major issues that usually can cause issues are rules and finances.

If the association does not have sufficient reserves for immediate major issues, or there are significant collection issues, a buyer should be made aware. The issue of rules is obvious, and if a buyer has a large dog, or a dangerous dog, there could be rules prohibiting that. Or if the buyer has three vehicles, and there are only two spaces, it should cause them to reevaluate their potential purchase. Realtors should counsel their buyers accordingly.

Finally, communication is extremely important in any business endeavor. In the selling process, the Association is often referred to as a third party. It is commonly stated that "the Association will take care of that", or something similar. Some real estate professionals encourage the new owner to get involved and actively participate in the life of the association, but this is rare. It is far more common for condominiums to be sold with the idea that "you don't have to do anything outside your unit". As every board members knows, this is completely untrue and should never be said by a realtor.

Many problems in associations could be overcome by buyers purchasing units with a better understanding of condominium life, which is very different than living in an apartment or a single family dwelling. If you are reading this article as a board member, consider making this article available to your owners, and request that they show it to their realtor prior to listing.

RHO Richardson•Harman•Ober, Inc.

ASSESSMENT COLLECTION
CC&RS AMENDMENT, INTERPRETATION & ENFORCEMENT
CONTRACT DRAFTING & PERFORMANCE
LITIGATION & DISPUTE RESOLUTION
MAINTENANCE & REPAIR RESPONSIBILITY

Pasadena Orange County Riverside

1 (877) 4HOA-LAW
1 (877) 446-2529
www.RHOPC.com

Recruiting Board Members!: continued from page 1.

members, who currently work well in excess of that, and without major maintenance projects underway, are working too many hours and not delegating well. Typically meetings should last 60-75 minutes per month. The remaining time should be spent on meeting preparation and random small tasks related to the position. Most everyone can find two to three hours that is not spent well where time can be made available to the Association.

The second excuse of **“I travel too much for work”** should also be addressed. Meetings can be handled with all but one Board member on a speaker phone. There must be at least one board member at a location where owners can attend if they so choose.

What about the excuse of **“I’m not qualified”**? What are the qualifications for serving on the

Board? The primary qualification is that of having the ability to think objectively, with an open mind, about what is best for the Association. Common sense and the ability to work as a team player are important. If owners possess these qualities, everything else can be learned. It is not necessary to have a strong financial background.

As stated earlier, some owners will state **“Are you kidding? I would never serve on that Board”**. This excuse may be the toughest one to respond to. Sadly, this objection may be appropriate if the Association Board is only viewed in a negative way. If the only perception of the Board is one of increasing assessments and sending violation letters the perspective of outsiders to Board service is not good. Also, if board meetings are long and disorderly, owners will have no desire to participate. What can the board do to change this perception? Consider changing how you

conduct business. Go out of your way to keep owners fully informed on changes that will have a potential negative impact in the community.

How do you begin to find owners that might be interested in serving? Clearly, you have to be aware of the residents in your community. Perhaps, they attended a meeting once or maybe you saw them in the common area. New owners are great candidates for the board as they are generally more excited about their community. A great long term plan is to create some casual social gatherings, as people are more likely to serve if they know someone on the board already.

Finally, one strategy that may work with some is to mention that this is the best ways to take care of your investment. Everyone wants their investment to grow over time, and without proper leadership and attention, the value of the property will diminish.

MANDATORY PASADENA WATER RESTRICTIONS

The City of Pasadena is requiring that all master-metered multi-family properties certify installation of water-efficient shower heads and aerators on faucets by September 30, 2015. The City is making the shower heads and aerators available free of charge to residents on Tuesdays, Wednesdays and Thursdays at City Hall located at 100 N. Garfield. If a property (association) does not certify that all units have complied by September 30, 2015, they will be deemed to be out of compliance and the penalties are \$200.00 to \$1000.00 per month.

This is an unprecedented situation for Associations in that they have to certify that all of their owners have complied with this regulation within 90 days, and if they are not able to certify this at a 100% level without the power to enter units, the association will be penalized. It appears that short term (i.e. 2 week) extensions may be granted. This is a challenge for associations on several levels, and the Board should consider the following issues.

Each and every owner is

responsible for compliance within their own unit, which means that the association should not endeavor to obtain the supplies from the City and distribute to owners. Owners need to take a



copy of the association water bill to the City to pick up the items they need. A copy of the water bill can be provided with the letter sent to all owners. The items may also be purchased at a hardware store, providing they meet the mandated “gallon per minute” (GPM) requirements.

Prior to the President signing to certify compliance to the City by September 30, 2015, each owner should be required to complete a “certification” form indicating that they have complied. It is not known at this time whether or not the association will have any further liability by simply relying on the owner’s statement. The board may want to consult with its legal counsel on this issue. If an

association does not receive responses from every owner, they can request an extension for additional time for the remaining units. Owners should be notified of this requirement as soon as possible, in order for them to comply and certify in a timely way.

Since the City can impose penalties for non-compliance, and just one owner could cause the association to be penalized, it is recommended that boards consider adopting a rule, subject to the law regarding creating rules, that indicates that IF the Association is fined by a governmental agency for owners not taking action as required by law that any penalties will be passed on to the non-compliant owners. You should consult with your association attorney regarding the exact language and also the necessity of such a rule. It is possible that an actual rule may not be necessary if there is language that applies already in the governing documents.

Mandatory Pasadena Water Restrictions: continued on page 5.

INJURED EMPLOYEE OF AN UNINSURED CONTRACTOR IS DEEMED TO BE AN EMPLOYEE OF THE CONDOMINIUM ASSOCIATION AT THE TIME OF LOSS

By Timothy Cline, CIRMS



Luis Gonzalez was a member of a painting crew when, in September 2005, he was injured working on a three-story condominium association called "3515-17-19 Sacramento Street Homeowners

Association" in San Francisco California. The HOA contracted with Bruce Parsley to paint the exterior of the building.

The Covenants, Conditions and Restrictions (CC&Rs) of the HOA mandated that the HOA "shall acquire and maintain"... "worker's compensation insurance to the extent necessary to comply with any applicable law." However, when the HOA negotiated the painting contract with Parsley, he lied and said that he maintained both general liability insurance and workers' compensation insurance. He also provided bogus documentation of non-existent insurance.

The HOA relied on these false representations and "assumed" that since Parsley was insured he must also be licensed. Luis Gonzales was suspended in a boson's chair and working near the top of the building's interior light well when the chair's rigging snapped and dropped him approximately 20 feet to the bottom of the shaft. He suffered serious injuries to both shoulders and numerous fractured bones.

Parsley, the employer, was cited by Cal-OSHA for workplace safety violations. Luis Gonzalez applied to the Workers' Compensation Appeals Board since Parsley had no insurance. As determined by the Heiman case, the hiring of an unlicensed contractor who is injured, or whose employee is injured, while performing work for a HOA, creates an environment in which different employment relationships may arise with respect to "employer liability for workers' compensation or tort damages." (Heiman v. Workers' Comp. Appeals Bd. (2007) 149 Cal.App.4th 724, 734 (Heiman).) In the seminal opinion, State Compensation Ins. Fund v. Workers' Comp. Appeals Bd. (1985) 40 Cal.3d 5 (State Fund), the Supreme Court concluded that a homeowner who hired an unlicensed contractor, who was injured when he fell from a scaffold, was required to assume the status of "employer" for workers'

compensation liability because section 2750.5 requires an independent contractor be licensed as a matter of law.

"Any person performing any function or activity for which a [contractor's] license is required . . . shall hold a valid contractor's license as a condition of having independent contractor status." (Fernandez v. Lawson (2003) 31 Cal.4th 31, 40 (conc. opn. of Brown, J.)) It is well established that the language of the statute "creates a rebuttable presumption affecting the burden of proof that a worker performing services for which a contractor's license is required, or who is performing such services for a person who is required to obtain such a license, is an employee rather than an independent contractor."

The moral of this story: Even if an independent contractor lies to you about the existence of a contractor's license or workers' compensation coverage, it doesn't rule out the possibility that the common interest development could be found to be in an employee/employer relationship at the time of loss. A minimum audit payroll "no payroll" workers' compensation policy, in the name of the common interest development, acts as an effective safety net against these sorts of claims. Workers' Compensation "no payroll" policies are readily available in California for minimum premiums as low as \$528 to \$606 per year*.

*Workers' compensation policies are subject to annual audit and premiums may exceed the quoted minimum premiums if uninsured or unlicensed contractors are reported at the conclusion of the policy period.

Timothy Cline is President of the Timothy Cline Insurance Agency, Inc. based in Santa Monica, California. Mr. Cline can be reached at tim@timothycline.com.

Western Rooter
 24/7 Emergency Plumbing Service
 \$175 Sewer Video Camera Inspection
 \$99 Main Line Drain cleaning
 • Free Plumbing Estimates •
(626)448.6455
www.westernrooter.com
 Licensed & Insured
 Family Owned for over 30 years

www.HOAinsurance.com/bookrequest
 Insider's Guide to HOA Insurance
 by Elliot Katzovitz
 \$14.95 Value Free of Charge for News and Views readers



Garden View Since 1978
 Landscape Maintenance
 626.303.4043
www.Garden-View.com
 Affordably Servicing
 HOA's with Pride
 in their Appearance

Since 1975
 Fully Licensed and Insured
 Lic. #872494
Ferris PaintingTM
 "Painting Southern California One Building at a Time"
 Call for a FREE estimate!
 Greg Lewis
 O. (818) 951-3207
 F. (818) 951-5279
greg@ferrispainting.com

www.FerrisPainting.com
 community

ROOF MAINTENANCE!

By Roger Herren

Unfortunately, far too many HOA's under value the importance of an annual roof maintenance program. Consider roof maintenance as being similar to homeowner insurance; a manageable annual expense, that extends the service life of a building's roof system, beyond it's anticipated life expectancy.

Practically speaking, the cost of catch-up maintenance and minor repairs, versus the cost of roof replacement will save a HOA thousands of dollars in the long run. It's not uncommon to find roof systems that should have had a 15-20 year service life, failing within 10-12 years. Why? There is no preventative maintenance. Conversely, there are roof systems that had a 12 year warranty and are still in service today after 25 years of service life. Why? Because maintenance and minor repairs were conducted on a regular basis.

Even newer buildings will find that an annual maintenance program will serve homeowners well for many years. It is essential, however, that the board instill this discipline into their annual budgets. This discipline will definitely extend the service life of their roof system. For Boards that have older buildings, that are not currently taking advantage of a maintenance program, it would benefit the board to have a properly licensed and insured roofing company conduct a roof assessment.

A reputable roofer can provide the board with a guide chart depicting "What Life-Phase" your roof system is currently in. This will tell the board what they can expect for the upcoming rainy season? Also an inspection will tell the Board how to budget knowing that there will be repairs coming. Procrastination can be the root cause for many roof problems that occur to a building over the years. If a Board waits to conduct preventative maintenance until the rains begin, then it's too late and the leak calls begin. This is the time when board members begin getting accosted in the hallways, and the manager gets the frantic calls from homeowners.

Eighty percent of those calls can be eliminated with a preventative maintenance program conducted by a professional roofing contractor.

Roof inspections can reveal minor issues early on, or an inspection might reveal evidence of major problems yet to come. Buildings have predictable areas that develop leaks. For an example:

1. Vent pipes, that have had mastic applied to them might now be cracking.
2. Air conditioning platforms may need new caulking at the corners, or they may have acquired holes from work conducted during the summer months.
3. Drains may require a clean-out, or a roof membrane may have separated at a seam.
4. The cable company or satellite vendor may have drilled holes into your roof system without proper flashing.
5. Old hot-tar rock roofs may be separating from the edge-metal.

In summary, don't neglect the simple task of annual maintenance as it will save you money by extending your roof life over time.

Roger Herren is Business Development Manager for SBR Roofing, and he can be reached at 818-972-1970 or by email at roger@sbrsolar.com.

Mandatory Pasadena Water Restrictions: continued from page 3.

For associations that have gas heated water, the Gas company will provide the retrofit service for free, providing that at least 20 units have signed up in advance and agree to be home to provide access.

For associations outside of Pasadena, be aware that Pasadena may be setting an example to other cities as to how to address the drought crisis. It would advisable to consider a rule to be added regarding passing on penalties that the association incurs by failure of an owner to comply with the local, State or Federal laws, as applicable.



TIMOTHY CLINE
INSURANCE
AGENCY, INC.
Specializing in Association Master and Earthquake Policies
www.timothycline.com
(310) 260-2900 ext. 25
CA License #0C10844



State Farm™



John R Sinner Ins Agcy Inc
John Sinner, Agent
Insurance Lic#: 0589670
Bus: 626-576-1078 Toll Free: 800-516-1078
www.johnsinner.com

LA's Premier Commercial Roofer



SBR ROOFING

- Leak Repairs
- Roof Restoration
- Roof Replacement


Over 5 Decades of Superior Service
888-766-3748 • www.sbrroofing.com

Advertise Here

If Your Company can provide excellent customer service and specializes in HOAs contact

Roman Esparza
at (626) 243-4158
roman@bevenandbrock.com

Reserve Studies for Community Associations



ASSOCIATION AR RESERVES
Est. 1986
Over 30,000 Reserve Studies nationwide



- Save money with our 3-year plan
- Access your Reserve Study online
- Video explanation of results
- Free Disclosure Form preparation

Request a Proposal Today!
www.reservestudy.com | (800) 733-1365



CertaPro Painters®



the path to **BETTER PAINTING®**
COMMERCIAL SERVICES

- HOA community specialists
- Excellent customer service for a painless experience
- Proven painting processes to make projects quick and efficient
- Complimentary color consultations
- All size jobs • Exterior, Interior and Common Areas

certapro.com/pasadena | bmauser@certapro.com
866-591-9270
Each CertaPro Painters® business is independently owned and operated.

answer. Here is a summary of those questions and statements that the board must respond to:

- 1) What is the regular assessment per unit for next year?
- 2) Are there any additional regular or special assessments already scheduled for next year? If so, what date are they due, how much are they, and what is the purpose of the assessment?

Now the difficult questions begin:

3) The Board must answer the following: Based upon the most recent reserve study and other information available to the board of directors will the currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? A "yes" answer requires the association to have implemented a Reserve Funding Plan that will not run out of money for projected reserve expenses over the next 30 years with no special assessments other than those listed in #2 above. It is recommended that a one-page summary of the association's 30-yr Funding Plan be attached to the disclosure to demonstrate and document the income and expense assumptions used to answer this question.

4) If the answer to question #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members?

5) All major components are included in the reserve study and are included in its calculations. All major components should be documented and funded through reserves. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the

Assessment and Reserve Funding Disclosure Summary.

6) What is the projected reserve fund cash balance at the end of the current fiscal year? And what is the percent funded at this date? Essentially, what amount is in the reserves compared to what is recommended to be fully funded per the reserve study?

7) What is the estimated amount required in the reserve fund at the end of each of the next five budget years? And what is the projected reserve fund cash balance in each of those years, taking into account only assessments already approved?

According to Robert Nordlund of Association Reserves, "Proper completion of the seven questions that appear on this disclosure can only be accomplished with a current-year Reserve Study and finalized budget information. Since finalized budget information typically occurs **after** the Reserve Study has been completed, one cannot expect the reserve professional to complete and finalize this disclosure at the time the Reserve Study is completed. Furthermore, if the Association establishes a Reserve contribution rate other than was recommended in the Reserve Study, additional Reserve calculations will need to be made in order to answer Question 3 and Question 4." Thus preparation of this disclosure will require the coordinated involvement of the association and management, the board, and the Reserve Study provider.

Every good disclosure should have a disclaimer, so here it is: "The financial representations set forth in this summary are based on the best estimates by the preparer, at that time. The estimates are subject to change."

The final aspect of the Reserve Disclosures is the Board response to four specific issues. Those items requiring board disclosure are:

1. A statement as to whether the board has determined to **defer or not** undertake repairs or replacement of any major component with a remaining life of 30 years or less, including a

justification for the deferral or decision not to undertake the repairs or replacement. Review the Reserve Component List and look at the "Useful Life" or "Remaining life" column. Any item with a zero remaining life, if any, should be addressed. The board will need to provide a reason as to why these components are not being addressed. It may be that it appears that the component is still in good condition, (i.e. there have been no repairs necessary, or indications of a problem) and that the Board has determined to wait until there is indication that the end of the life of the item is closer.

2. A statement as to whether the board, consistent with the reserve funding plan has determined or anticipates that the levy of one or more special assessments will be required to repair, replace, or restore any major component or to provide adequate reserves therefor. If so, the statement shall also set out the estimated amount, commencement date, and duration of the assessment. The Board will need to address the question of whether or not there may be a special assessment. Either the answer is that no special assessment is anticipated, or a special assessment may be necessary. If the latter is the case, the Board will need to provide the following information: i.e. approximate amount, the commencement date and duration of the assessment.

3. The third issue for the board to address is to provide a statement as to how reserves will be funded. A statement as to the mechanism or mechanisms by which the board will fund reserves to repair or replace major components, including assessments, borrowing, use of other assets, deferral of selected replacements or repairs, or alternative mechanisms. This may include a statement such as: "Reserves will be funded by appropriately sized budgeted monthly contributions". Or if the Association determines to take the position of not-funding reserves,

Annual Reserve Disclosure Requirements: continued from page 6.

the Board will need to provide language to answer this question. It is always advisable to fund Reserves adequately, to ensure the timely repair and replacement of your reserve components.

4. A general statement addressing the procedures used for the calculation and establishment of those reserves to defray the future repair, replacement, or additions to those major components that the association is obligated to maintain.

If a professional study was obtained for that year, the Board can state that the reserve contributions are based on a recently completed Reserve Study prepared by an independent, credentialed Reserve Study professional, and that a further explanation of methodology is available in the Reserve Study itself.

In summary, given the amount of work involved in preparing the legally required disclosures, the Board should rely on an expert, in this case a Reserve Study professional. There is a two-fold necessity that mandates that the technical requirements be met and also that accurate statements be made about the future of the Association's reserve needs. Any Board who wants to assume this responsibility should consider how much they are being paid to serve on the Board and decide if this effort is worth their time and potential liability. It is not required by the law that Boards take this on and handle it themselves.

In order to be fully protected as a Board, it is advisable that the association retain the services of a professional reserve study provider every year who can advise the Board in responding to the reserve study. Some reserve study companies offer a three-year engagement so that they will handle these issues during those three years which relieves the Board significantly of this task.

Volunteer board members should never take on a risk or liability that is not necessary. Working with a professional reserve study

preparer, and following the recommendations provided every year is definitely a sound business-like decision that the board can make.

Robert Nordlund of Association Reserves, Inc. was consulted on this article.

MEMBER-AT-LARGE AND VICE-PRESIDENT DUTIES

Every well-functioning board fully utilizes all Board members in some capacity. A wise President will balance the work of the board among all the members. Typically, the positions of "Member-at-large" and Vice-President are seen as "do nothing" jobs, and therefore highly desired. The name of a position, Member-at-large, is a bit of a misnomer for HOA's, as it usually refers to a person who is designated to represent the whole membership of the body, rather than a subset of that membership. On a HOA board, all board members represent the entire body of owners.

Many people who serve on volunteer Boards want to have a position that involves little work. The positions of President, Secretary and Treasurer definitely carry the stigma that work is involved, and that should be avoided at all costs.

Articles have been written in previous newsletters about the other positions on the board and how they can be managed so that excessive work is NOT involved. But the Vice-President and Member-at-large positions should not escape at least the same amount of work and responsibility as the other three. The voting power of a VP or Member-at-Large board member is exactly the same as that of the other three positions.

The Board President should work with the Board to identify the unique needs of the association

Member-at-Large and Vice President Duties: continued on page 8.



LAW OFFICES OF MICHAEL A. HEARN
CONSTRUCTION DEFECT SPECIALISTS

Over 35 years of Construction Defect experience representing Associations and other Property Owners

FREE Initial Investigation Including:

- Site Inspection
- Document Review
- Full Report
- Consultation

949.341.0030 ∞ info@mhearn.com
www.michaelhearnlaw.com



DENNIS
EMERGENCY RESTORATION
From beginning to end we get it done
WATER • MOLD • FIRE

Water Damage Restoration
Mold Remediation
Fire Damage Restoration
Reconstruction
24/7 Emergency Response

Yalmar Martinez
626-660-8601
Licensed Insured Bonded

800-995-5510
www.dennisrestoration.com
info@dennisrestoration.com



FARMERS

STEVEN G. SEGAL INSURANCE AGENCY, INC.

Over 33 years of experience specializing in:
Condominium Associations • Planned Unit Developments
Hard to Place Associations • Earthquake Coverage
High Rise Condominiums • Workers Compensation

Toll Free 800-345-8866 • Toll Free Fax 800-262-0973
Email: SSegal@farmersagent.com
www.farmersagent.com/ssegal • License #0E24660

The Good's Insurance Agency
(888) 770-0505
robertgood@allstate.com
CA Insurance Agent #: 0735176

Specializing In Condo Associations Under 25 Units



Allstate
You're in good hands.
© 2013 Allstate Insurance Company.

Contractor #955785 B1, C39



DKH
CONSTRUCTION & ROOFING

Full Service Roofing Tile, Shingle, and Hot Mop

Contracting All Phases: Designing, Fencing, Concrete, Remodels, Windows, Doors, Decking, Wrought Iron

562.927.8045

*Member-at-Large and Vice President
Duties: continued from page 7.*

that can be overseen by the Member-at-Large and the Vice-President. This will vary in every association as the needs are different. The Board, as a whole, should discuss the goals and objectives of the association for that year, and then delegate accordingly. This may include working on maintenance issues, or being available for special tasks as needed, such as architectural issues, internal dispute resolution (IDR), community building efforts, or landscaping, projects, or a special task force.

The role of Maintenance Liaison is an ideal task for the VP or Member-at-Large. A maintenance liaison would coordinate with the management company representative on issues that may require board interaction between meetings. This person could speak for the board on maintenance issues between meetings. This may mean that this board member would need to poll board members on a particular

decision that could not wait until a meeting can occur.

In addition, the Vice-President assumes the duties of President as needed when the President is unavailable. Qualities that would be helpful for the Vice-President are a willingness to learn and grow into the role of President.

In well-structured associations, usually a new board member may step into the Member-at-Large role to give them a chance to learn how association leadership works. It is not recommended to have new Board members fulfill other roles, such as Vice-President or President during their first year on the board.

In closing, the best functioning boards are those that utilize five (or three) fully engaged members. It is not difficult to get the board to operate this way, and it is much more fulfilling for the entire board, and association.



This Newsletter is circulated for general informational purposes as a public service and promotion by the Beven & Brock Property Management Company. The contents are the opinions of the firm, or the authors, and not intended to constitute legal advice, and should not be relied upon for that purpose. If you have a legal issue related to a subject of this newsletter, you should consult the California Civil Code and your attorney. The paid advertising in this newsletter is provided as a courtesy to our readers and does not constitute any endorsement by Beven & Brock. The advertisers provide their services to HOA's and some may have provided services to Beven & Brock's HOA clients in the past.

