

Bay Area Property Services
Annual Board Education
Seminar & Trade Show



**IMPORTANCE OF
THE
BOARD/MANAGER
PARTNERSHIP**

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THE ULTIMATE PARTNERSHIP

- Manager is the Association's "managing agent"
- Manager as agent represents the Association as the principal
- Manager brings information to the board and executes the Board's decisions
- Manager provides guidance, board is primary decision-maker
- **BUT** the partnership relationship is so much bigger than that!

**MANAGERS HELP
YOU PROTECT
YOUR MOST
PRIZED ASSETS**

- Your home is often your most prized asset
 - Financial significance
 - Emotional significance
- Managers can help build stronger communities
- Managers give boards the tools to preserve, protect, enhance property values



**MANAGERS HELP
BOARDS PROTECT
AGAINST
LIABILITY RISK**



- Board members are volunteers but are also ***fiduciaries***
- Associations and board members have numerous legal compliance obligations
- Managers are familiar with legal compliance issues and requirements
- Managers have access to professional resources to protect Association and board members
 - Insurance protection
 - Attorneys, CPAs, reserve study preparers, insurance brokers, specialty vendors
 - New laws and legal obligations



SETTING REASONABLE EXPECTATIONS

- Portfolio management, dedicated to multiple communities
- Contractual scope of services and pricing is unique to each community
- Base services/fees vs. additional services/fees
- Portfolios are balanced to account for unique needs of each community

OPTIMIZING THE RELATIONSHIP – POLICY GOVERNANCE

- Most effective partnership – board is policy-setting entity
- Manager brings information and resources to board's attention
- Policy governance model – board sets policy and manager executes it
- Manager performs day-to-day tasks, keeps board informed
- Manager is communication liaison between board and owners, third parties



HOW ELSE CAN MANAGERS HELP BOARDS?

ENCOURAGING FUTURE DIRECTORS!

- Board volunteerism shouldn't become a life sentence
- Encouraging wider community participation motivates others to serve as board members
- Efficient and professional board meetings increase desire for volunteers to serve
- Manager communications of board's goals and success stories to association members
- Social events foster sense of community and encourage board participation



AVOIDING COMMUNICATION TRAPS – SOCIAL MEDIA USAGE RISKS

- Social media has become normalized communication method for many but not all
- Creates expectation of interactive communication – at odds with corporate governance
- Personal statements by board members can create liability risk
- Negative interactions are open to public, can impact property values
- Managers often recommend against social media usage to protect association and board members



NAVIGATING DIVERGENT PERSONALITIES

- Challenges in dealing with differing personalities
 - Among board members
 - Within the community
- Differences of opinion should be welcomed
- Change is normal and should be embraced
- Make a commitment to:
 - finding solutions
 - respectful, professional interactions
- Manager and board should support each other to foster support of the community



BUILDING THE MANAGEMENT / BOARD TRUST RELATIONSHIP

- Management team wants to be your trusted partner
- Help you maintain and enhance property values
- Help you build a greater sense of community engagement
- Help you to create a community that everyone is proud to call home
- We will do what it takes to earn AND KEEP your trust!