



## May 2018 - The Sharper Focus - HOA Board Edition

Thank you for reading our newsletter. The goal of this newsletter is to touch on general industry news and helpful topics that may help you in your role as an HOA board member.

Every Association is different in their type, size, scope, and how things are organized and established via the Governing Documents. There are, however, a number of universal topics common to all Associations. We hope you will find this newsletter a valuable source of information!

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### The Three "P's" of Decision Making

When it comes to the decision-making process, Board members should check the three P's. **Policy. Practice. Precedence.** No matter how large the decision or how small the conversation, Board members should be methodical and intentional throughout their discourse.



**Policy** - this is the easy one. When making decisions, responding to homeowner requests and issues, applying, and enforcing rules, or creating new policies, the Board should check the governing documents to see what policies, ordinances, laws, etc. that may apply. The governing documents are the playbook to how the association is governed and managed.

**Practice** - where policy may not exist, the Board should be aware of past practices. A good example of this would be how Limited Common Elements are handled. Does the association take on the expense of replacing the patio slab and then bill it back to that benefiting homeowner? Does the association treat it as a common expense and absorb it? Does the association make a list each spring of the patio slabs to be replaced and then replace them at the same time? Limited Common Elements and how they are handled can be a good example of something that the association may not have a written policy for (the governing documents typically give the association options), which makes it all the more important that the Board's past practice is consistently followed.

Another example might be how homeowners are incorporated into a Board meeting. Does the association have an "open forum" part of the meeting? Do homeowners need to email the Board

or Management prior to the meeting to be put on the agenda? It is also wise for a Board to review their common practices and consider incorporating it into policy for continuity sake. Adding Board meeting conduct and procedures to the Rules & Regulations being an example. Past practice is what can get Boards into trouble. Often times it is wise to make practice in to policy.

**Precedent** - at the end of the day, policy, and practice all goes to set what the Board should keep in the back of their mind. Whatever you do or decide today will set an all-important precedent. The best litmus test a Board can do for themselves is to ask - if we allow this homeowner request, change this service, engage this contract, etc. - will we and all Boards to follow do it every time?

The three P's all come full circle. Policy leads to Practice. Practice is your Precedence. Or... Practice should lead to Policy, which sets Precedence. Whatever order it might take, when going through the decision-making process, check the three P's.

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## Spring Walk Throughs

For a while, it was hard to believe spring would ever come. Old Man Winter insisted on sticking around for April. However, spring seems to have finally sprung! Spring is perhaps the busiest time in property management - and this year there's a shorted window. 15" of snow on April 13; 72 degrees and grass greening on April 23 leads to a very busy May!



Your manager is busy making lists of things to be addressed following the long, cold winter season. Such as the inevitable list of crushed downspouts, and there are plenty of pet and plow sod damage letters to be written. Summer project planning starts ramping up and spring/summer meeting schedules start filling up. One thing each Association should consider is a spring walk-through of the buildings and grounds. Each Board is different in how they handle it. Here are a few common approaches.

- \* Together - some Boards like to walkaround together with the Community Manager. More eyes can be a good thing. Additionally, it is nice to be reviewing things together to gain consensus on project and how to prioritize tasks. The difficulty with this approach, however, can be finding a respectful understanding with your Community Manager. Scheduling can be difficult (remember that managers are already work evenings for Board meetings and emergencies), managers have a check list and methodology they follow, and the distractions of homeowners coming out to say "Hi" and the inevitable "say...while I have you here, could you look at this," can make for an extremely long and cumbersome inspection.

- \* Board - Board members only. Sometimes it is helpful without the manager, who sees the property on a frequent basis and is always looking for maintenance items, for a "fresh set of eyes." As managers, we can be guilty of developing tunnel vision. If a Board is going to take this approach, it can be helpful to divy things up. If it is a large and expansive association, print a site map and assign areas. Or, if doing it together, assign components. Larry looks at landscaping, Carla contemplates concrete, Ryan reviews rule violations, etc.

- \* Manager - sometimes the Board doesn't want to be involved and leaves it up to the manager. There is something to be said for this approach. The manager is not bias, he/she is trained for this activity, and has tools and templates to make it an effective and efficient inspection.

- \* Expert - another approach to truly getting a fresh look and a professional perspective is to bring in expert. If you're looking at a specific issue, take roofs for example, many roofing companies may offer to do a free or low-cost inspection. Another option is to utilize [Atlas Construction](#) for a small fee to do a comprehensive site inspection and detailed assessment report.

Speaking of documentation, this may be the most important component of a thorough spring inspection. If you're doing it as a Board, utilize a spreadsheet with columns of important items to check (windows, landscaping, etc). Be sure to take pictures. Lots of pictures! They can be incredibly valuable for rule violations, warranty claims, contractor negligence, repair bidding, and more. If the site visit is left to the manager or an expert, you can be assured they have their methodology for documentation.

Whatever route you take, spring inspections are incredibly important to document winter issues, and to prepare, prioritize, and position the community for a great summer season.

## Contractor Chat: Weathering Expectations



One of the most challenging components to property management is managing expectations as it relates to contractors and service providers. As community managers, we certainly have our opinions, but at the end of the day it's a simple fall back on the parameters of the contract. Did they meet it or not?

As a Board, you clearly have expectations based on recommendations to bring in a particular contractor and views of past experiences with various vendors. And homeowners - oh, the homeowners. They will make their expectations, feedback and opinions known.

It seems like a regular exercise that we reflectively look back on the previous season and say, "that was a weird winter/summer/spring/fall, wasn't it?" Well, this past winter certainly was. And from it was a reminder on some important lessons regarding expectations.

There is no doubt that at many Board meetings this spring there will be some in-depth discussion on the performance of snow removal vendors. We have had consecutive years of less than average snow totals. It has, perhaps, set an unrealistic expectation of snow removal services. But this was a winter of two-halves. Consider that during the first half of the winter, metro Minnesota had 30 snowfalls of less than 1" in accumulation. By most contracts, there was no plow service since it was under the trigger depth. Roads got messy; and then even messier when we had long cold snaps in January-March that never allowed for that unplowed snowpack to melt. The second half of the winter was a doozy. We had four snow falls that were greater than 6," ten that were greater than 4" - and of course the snownami of April 13 that, depending on location, dropped somewhere between 14-22" over a 48-hour period. It was the icing on the cake to our seemingly never-ending, will spring ever come, winter. Yes. "Weird winter," indeed. More poignantly for snow operators; it was a difficult winter.

What homeowners don't see or understand is the contractual and logistical challenges that came with this winter. They pay dues for snow services, but in order to keep dues under control, a plow trigger is in place. Typically, 1-2". If it doesn't snow that much in a particular snowfall, there is no removal service. Sure, you can adjust contracts; but lowering the plow trigger has a significant impact on price and dues. The long duration/significant snowfalls are another challenge to snow removal services. This season April 13 became the extreme example. Municipalities shut down operations. How would the association's vendor even get there with their plow? Plow drivers went on 24-36 hour work stretches. Company owners had to send them home to rest for safety purposes. Many companies faced the challenge of shovelers walking off jobs. It was an extremely difficult snow event to end an already difficult season.

As you review your snow contractor's 2017-18 performance, hopefully this helps give some perspective. The intent is not to make excuses. Surely, there were some vendors that failed miserably. The conversation from this winter should not only be of criticism, but rather a review of your community's needs and a shared understanding of expectations. The lesson learned, or perhaps harshly reminded, is that the key to mutual understanding of expectations is effective communication between all parties. Vendors to managers. Managers to the Board. Managers to the community.

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## MARK YOUR CALENDARS Sharper Golf Tournament

Mark your calendars for the annual Sharper Scramble Golf Tournament, set for Friday, July 20th at Boulder Pointe Golf Club in Elko.

This FREE afternoon of fun, food and golf is Sharper's way of showing our appreciation to you - our valued client, to our Sharper staff and to our trusted vendors. Our inaugural event last year was a tremendous success. We had over sixty golfers, twenty Sharper staff members, two dozen vendors providing over thirty nice prizes and fun games, an entertaining DJ providing a great soundtrack, a filling dinner and even a bagpiper roaming the course for ambiance to create a memorable afternoon for all those involved.



We hope you'll join us this year for another wonderful event!

- 11 a.m. Registration & Box Lunch
- Noon Shotgun Start
- 5 p.m. Dinner and Awards

Contact Matt Froehlich if you are interested in securing your spot for the Sharper Scramble.  
[matt@sharpermanagement.com](mailto:matt@sharpermanagement.com)

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## Need Help Renting and Managing a Townhome or Condo?

### Think Advantage Home



A sister company to Sharper Management, Advantage Home helps homeowners and investors manage their single-family residences.

Since your Association is already affiliated with Sharper Management, renting your home through Advantage would have extra benefits you wouldn't find in another property management company. Those benefits include:

- A thorough understanding of Associations
- Information sharing regarding governing documents, rules, and regulations is efficient between Sharper and Advantage Home - Advantage is literally right down the hall
- The Sharper Management maintenance staff is already familiar with your Association's property
- Our emergency response team is fast and effective

If you or someone you know is interested in renting their townhome or condominium, have them contact [jeff@advantagehomemn.com](mailto:jeff@advantagehomemn.com).

**Learn more at [advantagehomemn.com](http://advantagehomemn.com)**

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