

CAI KENTUCKY PRESS



CAI KENTUCKY WEBINARS LEARNING AT **YOUR** CONVENIENCE

2018 CAI Kentucky Chapter Holiday Luncheon & Annual Meeting December 13, 2018 11:30—1:00p.m.

We've come to the end of another successful year and we would like to invite you to please join us for our Holiday Luncheon and Annual Meeting!

This is a great time to come enjoy lunch with your fellow peers and business partners in the community association industry and learn what we have in store for next year. The event will include networking time, the announcement of the 2019 CAI Kentucky Board and lunch!

We will also be having a Thieving Elves Gift Exchange with a \$10 limit for each gift.

If you do not wish to participate in the gift exchange, you can still show your holiday spirit by bringing in a new, unwrapped toy which will be donated to a local charity.

The cost of this event is \$20 per person and we hope to see all of you there!

**Wildwood Country Club
5000 Bardstown Road
Louisville, KY 40218**



CAI Kentucky webinars offer specialized, professional training without leaving your home or office. We offer 2 types of webinars !

1. **New, live webinars are presented every other month.** Recorded live, these programs include video or Power Point presentations synched with speaker audio. The cost of these sessions will be \$15 for CAI Kentucky members and \$20 for non-members. The sessions will last approximately 1 to 1 1/2 hours depending on the topic.
2. **Webinars on Demand!** These will be pre-recorded webinars with topics such as:
 - ⇒ The importance of Meeting Minutes and Agendas
 - ⇒ Understanding Financials for Board Members
 - ⇒ How to make a comprehensive RFP for roof replacements

Stay tuned to email updates or check our website for up to date information.

If you are a professional in need of CEU's for re-designation, CAI webinars can help you maintain your credentials.

Keep your community and career on track!





As with most non-profit organizations the need for volunteers is always there. CAI Kentucky has the need for volunteers in most of the committees.

If you have a little spare time and would be willing to roll your sleeves up and dive in to help make our chapter as strong as it can be please consider joining one of the following committees.

- Membership Committee
- Sponsorship Committee
- Newsletter Committee

Please contact the Board of Directors at: info@cai-ky.net

Welcome New Members!



CAI -KY is proud to announce the following new members to our Chapter. Please help us make them all feel at home.

Linda Jansing—Owl Creek

Bruce Kemper—Swan Pointe

Roma Pedneau—Swan Pointe

Dennis Schneider—Swan Pointe

Lonnie Thurman—Swan Pointe

Why CAI Membership Pays for Association Leaders

CAI is an international membership organization dedicated to building better communities by providing education and resources to the homeowner leaders who govern and the professionals who support them.



Homeowners, Board Members, and Community Leaders – *NEW DUES STRUCTURE!*

In order to empower communities to serve at their best abilities, CAI offers different membership benefits to the various types through annual dues structures. Each membership type with CAI will provide you with insider insight on the latest innovations in communities worldwide, time- and money-saving tools, and opportunities to share information and knowledge with your peers.

Pick which one you would benefit the most from!

The best community associations have the best boards – they're educated, knowledgeable, and prepared to lead their communities successfully. CAI membership provides your board members the best resources and education to stay informed. **And now you can have up to 15 board members join for only \$250*!**

**Plus a mandatory advocacy support fee (included in the pricing below) and an optional donation to the Foundation for Community Association Research.*

Visit <https://www.caionline.org/JoinNow> for more information.

Collecting Association Assessments

Procedures for collecting overdue assessments differ from one community association to the next depending on established procedures, governing documents and local and state statutes. In addition to being reasonable and consistent, CAI recommends the following procedures for collecting delinquent assessments:

- * Begin collection actions early while the outstanding amount is manageable.
- * Take an incremental approach. Start with friendly reminders or personal contact, and then follow up with stronger reminders, making sure to provide as much information as possible.
- * Consider allowing owners to negotiate payment plans.
- * Follow due-process procedures. Give delinquent owners ample notice and provide an opportunity for them to be heard.
- * Comply with the Fair Debt Collection Practices Act throughout the process.

Legal Actions

There is no specific point at which a community association should have its attorney file a lien against the property—it depends on various factors. Generally, these factors concern the individual circumstances of the case. For example, an association may have little choice but to file a lien if the owner has failed to respond to repeated attempts by the association to collect the debt.

Nobody wants to foreclose on a home, but community associations rely on the lien and foreclosure process to collect unpaid assessments. For associations, it's often the only leverage they have to ensure fairness and shared responsibility. Placing a lien on property, with the ability to foreclose, is typically enough impetus to get delinquent residents to meet their financial

obligations—without removing the owner from his or her home.

Foreclosure should always be used as a last resort, applied only after other measures have failed. People occasionally face financial hardship—a lost job, for instance—and in those cases many community associations do work with homeowners to develop deferred or special payment plans.

Importantly, many community associations use “collection aids” prior to legal action. For example, they may suspend privileges (such as parking) or deny access to amenities (such as recreation facilities) for those who are seriously in arrears. Revoking a pool or club membership often gets results when letters are being ignored. We do not recommend suspending essential services such as water and utilities that provide heat.

Residents who do not pay their assessments are not cheating some faceless entity, but their neighbors and community. That isn't fair to those who do meet their responsibilities. When some homeowners are delinquent, either their neighbors must make up the difference or services and amenities must be curtailed. That affects everyone in the community, perhaps even leading to a decline in property values.

CAI media contact: Frank Rathbun, (703) 970-9239, Frathbun@caionline.org



Business Partners

Banking

Alliance Association Bank	Teresa Langebrake	(502)939-6057	tlangebrake@allianceassociationbank.com
BB&T	Melissa Peters	(251)340-8747	mdpeters@bbandt.com
U.S. Bank	Kristopher Thomas	(800)764-7694	kristopher.thomas@usbank.com

Insurance

Logan Lavelle Hunt	Bob Detherage	(502)657-2400	bobdetherage@llhins.com
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Landscaping

Brightview Landscape Service	Ms. Lisa Nardi	(818)737-2620	lisa.nardi@brightview.com
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Legal Services

Hebel & Hornung	Richard Hornung	(502)429-9790	rich@hebelhornung.com
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Community Management

All Points Community Management	Edwin Gibson	(859)263-7681	edwin@allpointsky.com
Berkshire Hathaway Parks & Weisberg Realty	Mika Anthony Heinze	(502)459-1928	mika@bhsparkswisberg.com
CMA	Tom Richards	(859)263-8757	tom@cmaky.com
KY Realty	Ben Adams	(502)473-0003	ba@kyrealtyonline.net
Paragon Management Group	John Payne	(502)451-0485	john@paragonky.com

Reserve Specialists

DMA	Timothy Rohrmoser	(804)644-6404	trohrmoser@mdareserves.com
Miller Dodson	James W. Dodson	(410)268-0479	JDodson@mdareserves.com
Reserve Advisors	Jennifer Aldrich	(312)625-4958	jennifer.Aldrich@reserveadvisors.com

Restoration

Purofirst	Jill Robinson	(859)550-3194	jillARobinson8@gmail.com
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Roofing

Bone Dry Roofing	Louie Ledger	(502)425-2928	louie.leger@bonedry.com
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Security

Signal 88 Security	Patrick Johnson	(502)822-0414	pjohnson@signal88.com
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Board Member Do's and Don'ts

CAI developed the Model Code of Ethics for Community Association Board Members to encourage the thoughtful consideration of ethical standards for community leaders. The model code is not meant to address every potential ethical dilemma but is offered as a basic framework that can be modified and adopted by any common-interest community. Board members should:

1. Strive at all times to serve the best interests of the association as a whole regardless of their personal interests.
2. Use sound judgment to make the best possible business decisions for the association, taking into consideration all available information, circumstances and resources.
3. Act within the boundaries of their authority as defined by law and the governing documents of the association.
4. Provide opportunities for residents to comment on decisions facing the association.
5. Perform their duties without bias for or against any individual or group of owners or non-owner residents.
6. Disclose personal or professional relationships with any company or individual who has or is seeking to have a business relationship with the association.
7. Conduct open, fair and well-publicized elections.
8. Always speak with one voice, supporting all duly adopted board decisions—even if the board member was in the minority regarding actions that may not have obtained unanimous consent.

Board members should not:

1. Reveal confidential information provided by contractors or share information with those bidding for association contracts unless specifically authorized by the board.
2. Make unauthorized promises to a contractor or bidder.
3. Advocate or support any action or activity that violates a law or regulatory requirement.
4. Use their positions or decision-making authority for personal gain or to seek advantage over another owner or non-owner resident.
5. Spend unauthorized association funds for their own personal use or benefit.
6. Accept any gifts—directly or indirectly—from owners, residents, contractors or suppliers.

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The Value of Your Association Attorney

Like your manager, your community's legal council is one of the most important people, other than volunteers and residents, involved in your association. Not a volunteer, but a paid—and integral—member of your association's professional team, your attorney is intimately familiar with what is happening in your community. And because community association law is complex and ever changing, your association's attorney must be knowledgeable in a wide variety of practice areas that can affect your

association, including:

- ◆ **Premise Liability**
- ◆ **Construction**
- ◆ **Director's Liability**
- ◆ **Real Estate**
- ◆ **Contracts**
- ◆ **Architectural & Design Review**
- ◆ **Employment**
- ◆ **Taxation**
- ◆ **Environmental Law**
- ◆ **Water regulation**
- ◆ **Collections & foreclosure**
- ◆ **Consumer protection**

Your attorney doesn't represent the individual board members, individual homeowners, or the manager; he or she represents only your association through its Board of Directors.

In addition to acting on your association's behalf in legal matters, your attorney also advises the board on its responsibilities and obligations. Be sure have chosen an attorney that can meet all of your association's needs!



The Kentucky chapter of the Community Associations Institute (CAI-KY) serves the educational, business, and networking needs of the community association industry in Kentucky. While it is a statewide chapter, most programs at this time are being held in Louisville, with plans to expand into Lexington and other areas as membership and demand grows.

Members include condominium, cooperative, and homeowner association volunteers, professional association managers, management companies, and those who provide services and products to community associations.

CAI Kentucky is comprised of approximately 125 members, with affiliations with dozens of others in the industry who participate in program events and is one of 63 world wide.

Please visit and "like" our Facebook page at CAI Kentucky.

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502-780-9575
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Board Member Do's & Don'ts Continued from page 5

7. Misrepresent known facts in any issue involving association business.
8. Divulge personal information about any association owner, resident or employee that was obtained in the performance of board duties.
9. Make personal attacks on colleagues, staff or residents.
10. Harass, threaten or attempt through any means to control or instill fear in any board member, owner, resident, employee or contractor.
11. Reveal to any owner, resident or other third party the discussions, decisions and comments made at any meeting of the board properly closed or held in executive session. CAI provides learning opportunities for community managers, homeowner volunteer leaders, association residents and service providers.

Visit www.caionline.org/education to learn more.



Maintaining Relationships with Contractors

By Carla Everhart, CMCA, AMS

As a woman business owner, I was once very sensitive to anything that smacked of “good ol’ boy” dealings. But I’ve come to appreciate my long-term relationships with vendors as my company has grown, and I want to maintain those relationships because they benefit my subdivisions.

Of course we know our first responsibility is to our associations, but we also look for opportunities to support our vendors. After all, vendors are crucial to my company’s ability to serve customers well. The following are some of the ways we help our vendors without risking our responsibility to our associations:

- ◆ **Tighten up the request-for-bid document.** A well-defined scope of work tells vendors exactly what needs to be done so they don’t have to bid extra to cover unforeseen expenses.
- ◆ **Review insurance and licenses.** Make sure your bidders maintain all necessary insurance that is appropriate to the work they are contracted for. For instance, our landscaping contractors must pay more Workers Comp when their employees are performing high-risk work, such as pruning at high levels.
- ◆ **Find out how solvent bidders are.** Some bidders may have liens against them, which could mean repossessed equipment or other work stoppages. An attorney can find out for you who may be at risk. It’s also a good idea to have a performance bond.
- ◆ **Tell the truth about bidding.** If you are fairly certain that an association is not likely to change companies, then limit the number of contractors you invite to bid and let them



know that the association is not unhappy with the current provider. Contractors may not want to take the time to write a bid on a contract that will probably go to the current vendor.

- ◆ **Consider off-site time.** A contractor who has two or three accounts located close to your association may bid a little lower because he won’t have to spend excessive time traveling between sites.
- ◆ **Let vendors know what matters to your boards.** Some boards want to be assured that contractors are verifying new employees’ names and social security numbers.
- ◆ **Tailor your bidders to your project.** Some associations don’t really need emergency on-call landscape staff or twice weekly trash pick-up. Select potential contractors who can fulfill the services that are actually required.
- ◆ **If your governing documents allow it, try multi-year contracts.** A three-year contract gives a contractor time to learn the idiosyncrasies of a complex subdivision and become more efficient over the life of the contract.
- ◆ **Educate your self and your boards.** Make sure you and the board are aware of exactly what work is required so you understand the contractor’s suggestions and questions.

We all want relationships that benefit everyone—the association, the management company and the contractors. Reasonable accommodations and common courtesy can contribute to making sure everyone is happy.

Carla Everhart is owner and president of Advantage Idaho in Garden City, Idaho.



Great Board Members Share 8 Important Tasks

Board members can make or break your homeowners association. You've run enough meetings to see great members share a number of characteristics. Do you recognize these?

1. ***They want to help the community.*** They don't get on the board to work out a vendetta or serve themselves. Instead, they have the best interest of their community at heart.

2. ***They're fair and can see both sides.*** They can't be a "do as I say, not as my friends and I do" kind of person. They have to apply the rules fairly to everyone, including themselves. They can also mediate disputes by seeing both sides of an issue.

3. ***They can run a meeting.*** Not every HOA decision is a life-or-death matter, but in order to carry on, decisions must be made. Great board members can set forward an agenda, give things necessary time for discussion and help reach decisions, one by one.

4. ***They listen.*** Perhaps the most important thing for a board member to do is listen to the community. "If community members have taken the time to come to a meeting, chances are they have something to say," said Kelly Moran, Vice President with Rampart Properties of Tampa, Florida. "The quickest way for a board to be overturned is to not listen to homeowners."

5. ***They're Honest.*** That means being willing to admit not knowing the solution to a problem. It also means being law-abiding, and giving honestly and freely of one's time.

6. ***They have foresight.*** "A board member can't

get caught up in the here and now," Moran said. "They need to have foresight as to where the association is going and move the association forward. That's what makes great communities."

7. ***They can do nothing.*** Not every argument or issue needs to be reacted to, especially if it takes the board's focus away from bigger, or more uplifting issues. "The two hardest things for a volunteer board of directors to do, is 'do nothing,' and 'say nothing,'" said Bart Park, CEO of Capital Community Management Corporation, Cave Creek, Arizona.

8. ***They have fun.*** Board members who can laugh when things are good—or bad—are well on the way to being a great board member.



CAI-Kentucky Chapter Sponsors

Without the help of sponsors the Kentucky chapter could not provide you with the education and resources we currently provide.

We want to make sure that everyone knows who our sponsors are and thank them for their support.

Please consider allowing our business sponsors who service community associations to bid on the projects for your community!

Links to their contact information can be found on the CAI-KY.net website.

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