



Got Guidance?

The Community Associations Institute (CAI) believes that board members have certain responsibilities to their homeowners when it comes to managing their communities. Among them are:

- ... Fulfill their fiduciary duties to the community and exercise discretion in a manner they reasonably believe to be in the best interests of the community.
- ... Exercise sound business judgment and follow established management practices.
- ... Understand the association's governing documents and become educated with respect to applicable state and local laws, and to manage the community association accordingly.
- ... Welcome and educate new members of the community owners and non-owner residents alike.

... Encourage input from residents on issues affecting them personally and the community as a whole.

... Conduct business in a transparent manner when feasible and appropriate.

At **Client Preference**, we also believe these principles extend to the community's management company, as does providing quality management services for a fair price. Don't be afraid to ask yourselves if you are getting good guidance and value for your management dollar. With the ever increasing list of a-la-carte costs being tacked on to the monthly fees charged by many other management companies, you owe it to your homeowners to make sure you're getting the services you deserve.

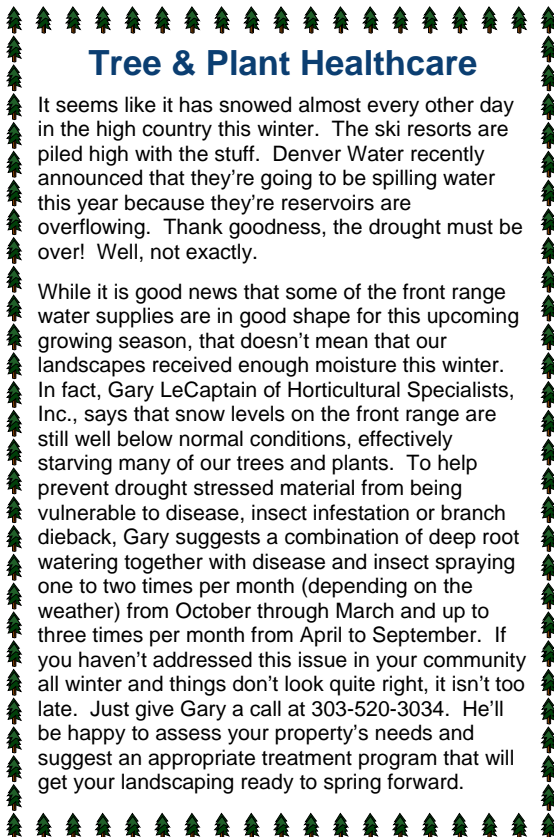
Signs of the Times

It's impossible to ignore the fact that the general election is looming on the horizon and a great time for board members to be aware of how state law regulates the placement of political signs.



Current Colorado statute allows each owner to place one sign per ballot item and/or political office on their property or in a window for a period beginning forty-five days prior and ending seven days after any election, regardless of any community rule or regulation prohibiting signs. The association is permitted, however, to limit the size of each sign to the smaller of 36" x 48" or the maximum size allowed by any applicable local ordinance.

Compliance Corner



Tree & Plant Healthcare

It seems like it has snowed almost every other day in the high country this winter. The ski resorts are piled high with the stuff. Denver Water recently announced that they're going to be spilling water this year because they're reservoirs are overflowing. Thank goodness, the drought must be over! Well, not exactly.

While it is good news that some of the front range water supplies are in good shape for this upcoming growing season, that doesn't mean that our landscapes received enough moisture this winter. In fact, Gary LeCaptain of Horticultural Specialists, Inc., says that snow levels on the front range are still well below normal conditions, effectively starving many of our trees and plants. To help prevent drought stressed material from being vulnerable to disease, insect infestation or branch dieback, Gary suggests a combination of deep root watering together with disease and insect spraying one to two times per month (depending on the weather) from October through March and up to three times per month from April to September. If you haven't addressed this issue in your community all winter and things don't look quite right, it isn't too late. Just give Gary a call at 303-520-3034. He'll be happy to assess your property's needs and suggest an appropriate treatment program that will get your landscaping ready to spring forward.

Who hasn't heard of SB05-100 and SB06-089? Board members across the state have all had to deal with new levels of compliance created by these two bills, but how many of you are certain that your association is compliant? A recent straw poll among HOA property managers indicated that the greater majority of their clients had not yet adopted the eight governance policies required by the bills. Could your association be at risk of a lawsuit by a homeowner for failing to adopt these policies timely? If you have adopted the policies, do they accurately reflect the way your association and your management company operate?

One of the primary disconnects in this area appears in collections. Most HOA governing documents identify a "late" date during the month, after which a homeowner's delinquent assessment may be levied a late fee. An HOA's adopted collection policy typically mimics the governing documents or refers back to them. Can you be assured that your collection policy

is being accurately followed or do you find, as is more often the case, that your late fees are processed at a time during the month that is convenient for your management company? When its time to turn delinquencies over to agencies or attorneys for collection, does it occur when directed by your collection policy or when the management company has time to do it?

With the rise in foreclosures and the resulting increase in uncollectible delinquencies, it's getting harder and harder for HOA's to meet their financial obligations. **Client Preference** customers enjoy the comfort of knowing that their financial and administrative health is our first priority and will always govern our behavior on their behalf. Is your management company complying with you, or you with them?