

in the
board room

MANAGING YOUR COMMUNITY THROUGH CRISIS

BY LORI R. STORM, CAMEX, CCAM

As I write this, I have been working mostly from home for the past few weeks. My computer is hooked up to my company's network, my mobile phone is connected directly to my desk phone and my craft room is now my office. Association boards have had to navigate what actions they should or should not take as daily news conferences from our governor bring out new and changing information and as counties have implemented and updated mandatory and suggested restrictions.

When drought became a real and semi-permanent reality, boards had to adapt to zero-scape planting, artificial turf and monitoring of restrictions on watering.

When wildfires threatened or consumed associations, boards had to implement emergency planning, have

ongoing discussions with attorneys and insurance carriers, and try to keep in communication with sometimes scattered members of the community.

Now we are looking at yet another type of emergency and boards once again are adapting to and considering what is the association's responsibility and what actions they can or should take.

At this point, associations have mostly opened their clubhouse doors, their pools and tennis courts to the members. But with this easing comes the question of what is the legal and ethical responsibility to members? What will trigger another shut down? Are associations under the same requirement for physical distancing, face coverings, and sanitizing?

In the last three years, association boards have had to look way beyond their normal responsibilities. Remember those?



“Now I can mute the attendees, make them raise their hands to be called on! Meetings have never gone so smoothly!”

- Take care of the common area and the amenities
- Abide by the law
- Keep the members in compliance with the CC&Rs

Today's world looks very different and there is no end in sight.

Today we are dealing with a pandemic and its fallout. But California will continue to experience wildfires, earthquakes and the occasional tornado. New laws sprout up constantly. Members will feel harassed and discriminated against, folks are aging in place bringing more complexities to overseeing what is truly a delicate ecosystem. There was a time that boards felt as though they could manage their communities on their own. This is no longer true. Associations must rely on a team of professionals for advice and direction. And the very best boards lean on their teams for guidance.

It is time for volunteer boards to embrace and plan for the growing need of their expert team.

How can boards prepare for the unknown?

BUDGETING

The first thing a board must seriously consider is ensuring there is budgeting for more expert advice than you have in the past. The corporation and its shareholders cannot afford the liability involved in “figuring it out on your own.” Take a hard look at your budget and plan for additional management hours, legal advice and potential engineering and construction review. If you do not have contingency lines in your operating and reserves, now is a good time to get those in place.

It is time to listen to your manager, whose company is working with dozens or

hundreds of communities. It is time to rely on your attorney, who is connected closely with legislation and legal minds all over the state. And boards will have an increasing need for contractor, reserve, investment and insurance advisors. All of these people provide greater insight so that better decisions can be made.

COMMUNICATION

Boards also need to be nimble and flexible in their thoughts and processes in order to deal with the unexpected. Emergency plans are important. Informing the members of what steps the board is taking to help prepare for such emergencies is vital.

Communication with the members is one item managers hear time and again as concerns in an association. Boards must embrace as many modes of communication, as often as they can. This becomes of central importance as association circumstances continue to change.

Managers have seen boards and an association's members adapt to technological solutions to the physical distancing needs far more adroitly than we might have anticipated. Meetings are being held online or via teleconference with members watching or listening from home. These modes of communication offer an opportunity for a greater percentage of the membership to engage in the process than they have in the past. This represents another way for associations to reach out to members, not only for board meetings but townhall meetings and even candidate events for director elections.

Embracing the new technology has

additional benefits as well. I spoke to an 80-year-old board president recently who is incredibly delighted with Zoom meetings. “Now I can mute the attendees, make them raise their hands to be called on! Meetings have never gone so smoothly!” Boards are more accepting of board packets being delivered electronically and figuring out how to bookmark pages and add in comments without having to print out the pages.

But today's crisis is just one of a string of things we are experiencing in California. Drought will always be with us, creating conversations and innovations for water use. Wildfires have wiped out clubhouses, homes and infrastructure for associations all over the state. But losing these things do not wipe out the associations. There are still obligations and responsibilities, decisions and planning that have to go on.

More than ever before, expertise and innovation are key to managing your community well. Planning for these eventualities now will not only make working on behalf of your association easier, it will help bring in new board members, who will understand that they will have experts available to get them through the next inevitable challenge facing the association.



Lori R. Storm, CAMEx, CCAM, is Division Vice President of Client Development at The Management Trust.