

## ***Board of Directors Positions***

The Board of Directors governs the affairs of the Association, including the management and operation of the condominium property. The Board of Directors shall exercise all powers and duties necessary for the administration of the affairs of the Association. Such powers and duties shall be exercised in accordance with the provisions of the Declaration, the Articles of Incorporation, and the By-Laws.

The following are brief descriptions of the positions of the Board of Directors.

**President:** The President must perceive the association as both a community and a business to meet the expectations for the members and to fulfill the president's role. This includes working to enhance the lifestyle of community residents and to preserve, protect, and enhance the value of the asset – the community.

The asset is the physical property, financial position, legal standing, and image of the association. To protect the asset, the President prepares and adheres to budgets, formulates and enforces rules and policies, and sets and achieves goals.

**Vice President:** The vice president substitutes for the president in his or her absence. The person in this position also conducts meetings and presides over board meetings when the president chooses to stand down from the chair. The vice president should be informed about programs, agendas, etc. so that he or she is prepared to chair the meeting in the event of an emergency.

**Secretary:** The secretary is the “official recorder” of the association's activities and is responsible for ensuring that board meeting minutes are taken. Other duties include filing documents and attesting to the validity of documents by signing them. One task is to take the meeting minutes and determine when meetings minutes should be distributed to other board members. Timely writing and distributing of minutes remind board members of actions taken on authorized projects.

**Treasurer:** The Treasurer is an accountant to the community. The Management Company will provide financial reports to the treasurer. The treasurer should give a presentation of the association's financial status at the monthly meeting.

**Member at Large:** This individual would substitute in the absence of another board member. The board member at large is also responsible for organizing committees in the event there is a need for a special committee. A fifth person on the board is also the deciding vote in the event of a tie.

# »»Community Association Governance Guidelines

CAI developed the Community Association Governance Guidelines to help community association boards govern fairly, responsibly and successfully. Embracing these 12 basic principles can help any association board increase harmony, reduce conflict and build a stronger, more successful community.

1. **Annual meetings.** Conduct at least one membership meeting annually, providing at least two weeks notice to homeowners and more than two weeks if specified in the governing documents or dictated by state statute.
2. **Assessments.** Collect assessments and other fees from homeowners in a timely and equitable manner and in accordance with state statutes and board-approved procedures.
3. **Communication.** Provide at least one form of regular communication with residents, and use it to report substantive actions taken by the board.
4. **Conflicts of interest.** Disclose all personal and financial conflicts of interest before assuming a board position and, once on the board, before participating in any board decisions.
5. **Elections.** Hold fair and open elections in strict conformance with governing documents, giving all candidates an equal opportunity to express their views and permitting each candidate to have a representative observe the vote-counting process.
6. **Financial transparency.** Share critical information and rationale with residents about budgets, reserve funding, special assessments and other issues that could impact their financial obligations to the association. Give members an opportunity—before final decisions are made—to ask questions of a representative who is fully familiar with these financial issues.
7. **Foreclosure.** Initiate lien and foreclosure proceedings only as a last step in a well-defined debt-collection procedure—and only after other, less-disruptive measures have failed to resolve a serious delinquency issue in a specified period of time.
8. **Governance and the law.** Govern and manage the community in accordance with all applicable laws and regulations. Conduct reviews of governing documents to ensure legal compliance and to determine whether amendments are necessary.
9. **Grievances and appeals.** Allow residents to bring grievances before the board or a board-appointed committee and follow well-publicized procedures that give residents the opportunity to correct violations before imposing fines or other sanctions.
10. **Records.** Allow homeowners reasonable access to appropriate community records, including annual budgets and board meeting minutes.
11. **Reserve funding.** Account for anticipated long-term expenditures as part of the annual budget-development process, commissioning a reserve study when professional expertise is warranted.
12. **Rules.** Uniformly enforce all rules, including architectural guidelines, but only after seeking compliance on a voluntary basis. Distribute proposals for new rules and guidelines to all homeowners and non-owner residents. Advise them when the board will consider new rules and encourage input. Once adopted, new rules and effective dates should be distributed to every owner and resident.

*Note: Laws governing common-interest communities vary considerably from state to state. Association boards should consult with attorneys to ensure their association is governed in accordance with all federal, state and local laws and regulations.*



## **CODE OF CONDUCT FOR BOARD MEMBERS**

The Board of Directors has approved the following **Code of Conduct** for its current and future board members, to ensure a high standard of ethical conduct is maintained in the performance of the Association's business. Potential Board members will be expected to familiarize themselves with the content of this document prior to running for election or accepting an appointment to the Board of Directors.

The following **guidelines** constitute the code of conduct:

### **Board members shall not:**

- Use his or her position as a Board member for private gain or by soliciting or accepting, directly or indirectly, any gifts, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.
- Accept a gift or favor made with the intent of influencing decisions or action on any official matter.
- Engage in writing, publishing, or speech making that defames any other Board member, Property Manager, employee(s) or residents of the Condominium Community.
- Willingly misrepresents facts to the residents of the Community for the sole purpose of advancing a personal cause or influencing the Community to place pressure on the Board to advance a Board member's personal cause.
- Interfere with a contractor implementing a contract in progress. All communications with contractors will go through the Property Manager, Association site staff and/or any person(s) approved by the Board.
- Harass, threaten or attempt through any means to control or instill fear in a member of the Board, Property Manager and employee(s).
- Make Contributions or donations using Condominium funds.



**Board members shall:**

- Maintain the confidentiality of the personal lives of other Board members and residents when discussion centers on financial delinquencies.
- Be respectful of each other and conduct themselves in a professional manner at Board meetings, refraining from personal attacks against owners, Board members, Property Manager and employee(s).
- Contact the Property Manager or another Board member in advance of non-attendance to the monthly meeting.
- Will make a concerted effort to attend all Board meetings and understands that excessive unexcused absences, as defined by the Board, will result in a request for temporary replacement or resignation.

This document will remain in effect while the Board member is in office. Board members will be required to review and re-sign this document upon re-election to the Board.

No Provision of this Agreement can be rescinded, altered and/or amended without the majority vote of the members of Whispering Hills Owners Association Board of Directors.

**I have read and accept the responsibilities as a Board Member of this condominium association**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



As one of Wisconsin's largest community management companies, we bring a unique blend of industry knowledge, unparalleled customer service and professional guidance to the communities we manage. We want to be your partner in the successful operations of your community and strategic planning for the future. Partnering with Prospect will make your life as a volunteer board member easier, more efficient and rewarding. Make participating in the successful operations of your community fun and meaningful again. Let us do the work for you, give us your vision and we'll make it a reality.

Our goal is to provide your community with the highest level of customer service and professional management services that will promote the preservation of the property and enhance the lifestyle of the association members while increasing the value of the assets the members have invested into. This will be achieved through the following:

- Assignment of a professional Community Manager dedicated to serve your community
- Build relationships and earn the correspondence of association membership through strong communication and transparent operations
- Become familiar with the associations governing documents
- Review the association's budget and financials to ensure fulfillment of fiduciary responsibilities
- Research other sources of potential income and savings for the community without sacrificing property values
- Learn the current operations and evaluating for potential improved processes
- Conduct weekly visits to the property to ensure compliance of owners and contractors
- Develop a building schedule specific to the building's mechanics and operations

The PMC team:

Professional education, accreditation and experience are essential for successful community association managers. Prospect Management's community managers have obtained the education and experience to become certified and have earned designations in the field of community association management. We are proud to say that we were the first management company in the State of Wisconsin to earn the designation of Accredited Association Management Company (AAMC) a designation awarded only to management companies that consistently meet or exceed the highest industry standards. Prospect Management's current staff consists of 31 team members with 10 community managers, many of whom have earned the designation of Certified Manager of Community Associations (CMCA), Association Management Specialist (AMS) and/or the highest designation, Professional Community Association Manager (PCAM) through Community Association Institute. These designations and certifications help ensure that our managers have the knowledge, experience and integrity to provide the best possible service to our clients.

We recognize the importance of providing the best possible customer service to all the homeowners we service and for this reason we have created an internal department to accomplish this. Our Homeowner Service Department is available to take calls and emails to assist owners in a timely manner. With Homeowner Services taking the daily calls from homeowners; this allows the Community Managers the time to work with their Board of Directors and be present at the communities they manage. To better service owners with busy schedules, we have service representatives answering owner's calls from 8:00 a.m. to 8:00 p.m. Monday thru Thursday and 8:00 a.m. to 5:00 p.m. on Fridays.

Our staff and their dedication have been instrumental in the growth and reputation of the company, simply by providing excellent customer service in a professional manner.

Maintenance & Remodeling Services a business partner servicing Prospect Management client for building maintenance needs. Maintenance & Remodeling Services is owned by the same owners of Prospect Management Company.

Maintenance & Remodeling Services team is skilled and experienced individuals with variable levels of experience in all aspects of building maintenance. Maintenance & Remodeling Services can provide maintenance services to communities on an as need basis and is able to offer services for less than most specialty contractors. The convenience and savings are offered to both the association and its homeowners. Our maintenance staff is trained and understands the difference between the Associations responsibilities and that of an individual homeowner. We extend service to the homeowners upon request and bill them directly for the services.

Our tools and technology:

Staying on top of the latest technology allows us to provide accurate and complete information and reports at a click of a button. Prospect Management did extensive research to select a property management software that would provide us with thorough and up-to-the-minute information for our clients. The software we currently use is Vantaca, which is specifically designed for condominium associations. The reporting capabilities are endless and this product truly denotes transparency and accountability. This software will help you manage the affairs and needs of your community efficiently and effortlessly with robust capabilities and infinite accessibility.

All the daily tasks associated with community management are centralized one easy to use, cloud based, and software solution system. Vantaca empowers your association to work in real time, all the time through a host of features such as:

- Automated communications
- Custom reports
- Automatic document postings
- Mobile inspection application that generates and send violation letters in real time
- Complete banking inter-migrations Vantaca raised the bar offering a fully integrated web portal for all of our owners and board members, allowing them to:
  - Make free online payments
  - Submit requests such as work orders or clubhouse reservations
  - View all important association documents and historical data in one centralized location
  - View the community calendar, in real time Complete transparency is important to ensure a strong relationship with our clients.

For this reason, Vantaca allows us to offer Board members access to central tools that will help make their jobs easier; view, review and approve expenses, view open work orders and follow their progress, communicate with your property management team, respond to ARC applications and create calendar events for your community. You don't need to be a computer expert or even have one!

Your owner's portal is accessible through your smart phone or tablet as well. Vantaca elevates the services we can offer our clients by the way of transparency, accountability and accuracy that no other management company in our market is able to offer. As always, we are a leader in our industry being the first management company in the state to bring this new level of services exclusively to our clients first.

Through our partnership with the CIT Bank, we can give our board members real-time, digital access to their community's financial information through a secure online connection. Homeowners can also set up recurring payments through the bank, allowing them to set the method of payment (eCheck or credit card), the number of occurrences, and the amount and the date the payments are withdrawn, making paying association fees simpler and faster and ensuring that the association fees are received and deposited into the association's account immediately. Prospect provides the most secure automated payment system and can assist owners in the set up.

When there is a request for documents related to a transfer of ownership, we can provide information within minutes, 24 hours a day. We work with CondoCerts, which is an internet utility that simplifies the process of delivering and obtaining community data and documents. Using state-of-the-art technology, CondoCerts delivers round-the-clock online access to all governing documents and critical association data for lenders, mortgage bankers, title companies, real estate agents and homeowners in need of information for sales or refinance transactions. All historical records are maintained electronically. Our streamlined operations system eliminates unnecessary costs and wastage. We have a stringent selection process for all suppliers and service providers in place.

How do we do it?

**Deposit of Dues and Assessments:** The collection and deposit of monthly assessments and dues will be the responsibility of the Management Company and will be completed in accordance to the guidelines set forth by resolution of policy of the Board of Directors or by governing documents. Residents are provided a choice of payment methods. All bank automated methods of payment are at no cost to the association. Owners may also opt to pay by credit card. Prospect Management works with CIT, for associations operating checking accounts. They have the technology and software that communicates with your software. This allows the immediate deposit of funds through lockbox services and ACH transactions. Due to the volume of clients PMC has, we have negotiated all bank services at no cost for our clients including free check stock and no monthly service fees. This will bring cost savings to your association.

**Payment of Associations Bills:** Board members can approve invoices through an easy-to-use internet-based software. Payments are issued weekly, and many are made online for those invoices that have been previously approved. Real time accounting can be viewed by the Board of Directors through our portal. The Board of Directors is given the option of signing checks or allowing an owner of Prospect Management to complete the process.

**Monthly Financial Statement:** Prospect Management can provide either accrual or cash based financial reports. Our software allows us to customize reports to meet the needs of each association. We provide monthly financial reports to the board via email. Typically, the monthly financial reports consist of an Income/Expense statement which provides comparison to current period; year to date and annual budget; balance sheet and/or trail balance; check register; aged payables; aged receivables, general ledger and bank statements. A separate report tracking reserves and maturity/renewal of investments is also provided.

Annual Budget: Prospect Management will provide the Board of Directors with a proposed budget each year. Each line item in the budget will be accompanied with a narrative description as to how we arrived at our recommendation. We evaluate the current financial status as well as the historical data available. We will take into consideration projected price increases and contractual obligation.

The services and level of services budgeted for are ultimately a board decision.

Document completion for transfer of ownership: Prospect Management provides the necessary forms and information for lenders, title companies and real estate brokers to assist in the sale of a unit in the community. All cost involved to provide these services is the responsibility of the owner and not the association.

#### Administrative

- Respond to residents/owner's inquiries
- Report to board on all correspondence and communication with homeowners monthly
- Report monthly to board on preventative maintenance and service work performed
- Organize and maintain association les (e.g., contracts, correspondence)
- Prepare packets for sales, leases, or transfers required by association documents or statutes
- Inform board of homeowner changes and sales
- Serve as a liaison between the board and the community association members
- Develop, maintain and distribute specific community information
- Prepare informational welcome packets for new owners
- Connect with new unit owners to provide owners handbook and gather contact information
- Guest suite and community room reservations and management
- Elevator compliance and scheduling for contractors and residents moving
- Maintain tenant records and lease compliance per association documents and state statutes
- Provide complete integration between management software

## Meetings

- Attendance of Board of Directors Meetings
- Develop and implement an administrative calendar of association meetings
- Prepare and submit a monthly management report to the board
- Prepare agendas and information packets for board meetings
- Prepare, distribute and post meeting notices
- Organize and participate in meetings of membership and the board
- Maintain minutes and resolutions
- Advise in forming committees and committee structure

## Governance and Legal Issues

- Serve as a liaison between the association/board of directors and legal counsel
- Provide information and guidance to the board as it sets policies and makes decisions
- Educate and advise the board of its role and responsibilities
- Develop and implement election procedures in accordance with governing documents
- Ensure compliance with owner's handbook prior to commencement of contracted work
- Develop due process procedures for board approval
- Process architectural variance or change requests in accordance to owner's handbook
- Identify and record violations of association restrictions, rules and regulations
- Implement enforcement policies (e.g., rules, architectural controls) as directed by the board
- Represents the community association to the outside community (e.g., interface with local government, media, local public agencies)

## Financial Controls, Budgets, Reserves, Investments, and Assessments

- Deposit dues and assessments
- Establish effective accounts payable procedures
- Prepare the draft annual budget, including operation expenses, capital improvements, and reserves
- Distribute the budget as required by the governing documents and statutes
- Analyze trends when preparing the budget
- Develop a multi-year expense and statutory reserve projection, seeking professional assistance as necessary
- Identify alternative sources of income and cost savings ideas
- Identify method of funding for reserve requirements
- Develop and implement effective assessment collection and accounts receivable processes
- Prepare and send assessment notices and late payment notices
- Apply late charges, interest, NSF, and legal fees on delinquent accounts as directed by governing documents or board policy
- Communicate delinquency information to legal counsel
- Prepare and provide supporting documentation for outside collection action
- Develop and implement internal control procedures
- Prepare and provide regularly scheduled (monthly) financial statements and reports
- Execute investment policies developed by the board
- Provide independent auditor and/or accountant with association's financial records, as needed or required by governing documents (outsourced)
- Reconciliation of bank accounts
- Maintain the community association's financial records in accordance with Generally Accepted Accounting Principles (GAAP)

#### Human Resource Management (if necessary)

- Develop and implement personnel policies (which are in compliance with federal, state, and local laws)
- Develop and update job descriptions for association staff
- Implement the recruiting, selection, hiring, and firing processes for association staff
- Supervise the community association's employees
- Establish employee performance objectives, evaluate work performance, and conduct periodic review with employees
- Maintain and properly retain individual employee files

#### Risk Management and Insurance

- Conduct a thorough property inspection annually
- Provide written report on annual property inspection identifying risks and issues of concern
- Identify the exposure of potential loss
- Recommend professional risk management and insurance professionals
- Develop and implement risk management techniques and disaster plans
- Maintain in force insurance coverage (e.g., casualty, directors and officers, delinquency, liability, property) in accordance with governing documents, statutes, and board policy
- Document submit and coordinate insurance claims

#### Contracting

- Prepare and submit information package concerning competitive bids to the Board
- Ensure preparation of fair and competitive bid specifications and requests for proposals
- Identify qualified professional contractors
- Negotiate service contracts
- Review all contracts for key elements (e.g., parties, scope of work, compensation)
- Ensure compliance with local ordinances prior to commencement of contracted work