

GLENMORE COMMUNITY ASSOCIATION

WORKGROUP CHARTER

WORKGROUP TITLE: Professional Management Review Team

WORKGROUP SPONSOR: GCA Board of Directors

MEMBERSHIP: Appointed by GCA Board of Directors

BACKGROUND:

The Glenmore community has grown to over 840 residential lots, and will exceed 930 within the next few years. Now in its 23rd year, the Glenmore Community Association (GCA) manages over 300 acres of common property, an extensive storm water management system, six ponds, 15 miles of roads, and a 24-hour staffed gatehouse. It expends over \$900,000 annually to protect, maintain, and improve the community.

For the first 17 years, the work of the GCA was managed by a seven-member Board, comprised of a developer's representative plus six volunteer residents. Although board and committee members handled most maintenance and communication activities, day-to-day administration of the Association was provided by the developer's representative and his staff. Included in the developer's support were: accounting, billing, bookkeeping, insurance, legal, membership, engineering, architectural approvals, compliance management, meeting arrangements and secretarial support. The developer's representative also performed the dual roles of treasurer and secretary of the GCA.

In 2008, a Transition Plan was prepared which mapped out a controlled transition of functions from the developer to the GCA. The plan discussed the options of volunteer management and professional management for the association, and recommended a gradual transition from the developer to professional GCA management by 2015. But in 2009, prior to the implementation of this transition plan, illegal appropriation of the GCA's funds by the developer's representative was discovered as part of the Association's first external audit. A new organization was immediately put into place to provide for 100% of management of the Association by residents, and removal of all developer-managed functions other than ARB. This change included the introduction of five part-time volunteer resident staff to perform the day-to-day operations for a small stipend.

This volunteer-based management structure has remained in place for the last six years. The GCA board is also supported by over twenty volunteer members of various standing and ad hoc

committees. The complexity and growth of workload of board members, as well as concerns over continuity of knowledge as residents change, has led to renewed interest in the introduction of some form of professional management of the Association.

OBJECTIVES:

1. Review and document all current functions involved in the management of GCA affairs.
2. Assess how well the key elements of each function are performed, together with strengths and weaknesses of the current approach, and priority for addressing improvements.
3. Determine if there are functions which we need to perform, but are currently not doing so.
4. Review this assessment with at least three well-established community management companies to determine potential benefits, obstacles, resource requirements, and costs in transferring each functional responsibility to professional management.
5. Consider appropriateness of using an independent professional manager.
6. Prepare preliminary recommendations to the GCA Board of which functions would benefit from transfer to professional management, together with priorities, proposed timeframe and estimated cost impact.
7. Select and recommend to the GCA Board an appropriate management company or manager, together with phased introduction plan and final costs.
8. Implement approved plan.

DELIVERABLE(S):

1. Presentation of findings and preliminary recommendations on priorities, timescales, and costs to the GCA.
2. Presentation to the GCA Board of recommended management company or manager, final introduction plan, and cost projections.

TIMETABLE:

This is an ad-hoc committee intended only to operate for a limited time:

1. Preliminary recommendations to the GCA Board by April 30, 2016.
2. Final recommendations to the GCA Board by June 30, 2016.
3. Implementation timetable will be dependent on specific agreed recommendations.

OUTSIDE RESOURCE REQUIREMENTS:

- Literature from Community Associations Institute should be obtained to provide guidance on the selection of professional management.

- The experience of other HOAs should be garnered to understand their experiences with professional management.
- The 2008 Transition Plan should be reviewed for information pertaining to transition of functional management.
- Association management companies should be consulted at length to determine their capabilities and costs.

COMMUNITY INTEREST:

This activity will most likely lead to active community feedback. It may be viewed by some members as a retrograde step, due to the associated dues increases. By others it may be viewed as a positive move to address perceived concerns. Steps to assist the community's involvement should include:

- Consideration of a website page to communicate the team's progress to the community.
- Use of monthly email newsletter to provide brief overview of team's work.
- Posts as needed to Nextdoor Glenmore to moderate control public debate.