



HOA Management Service Overview

Since HOAs are governed by boards that consist of community members that perform their duties on a volunteer basis, FirstService Residential is a third-party management firm that helps cover the large scope of Board Member responsibilities. In a broad sense, an HOA management company is responsible for the following:

- Guide and consult with the board of directors to fulfill their duties
- Execute the decisions, directives, and policies approved by the board of directors
- Document transactions accounting and otherwise, activities, and records of the association

The board is in charge of decision-making and the HOA managers fulfill the actual dues collection, maintenance, vendor payment, and serve as the primary homeowner point of contact. The specific responsibilities of a community management company can be broken down into three main sections:

- Administrative Services
- Site Management
- Accounting Services

Please refer to your Management Agreement for specifications.

Administrative Services

FirstService Residential will act as the community's primary contact. The management team will provide the following support:

- Communication
 - The Board President shall be the Management Liaison between the Association & FirstService Residential. Direction and instructions shall come only from the Board Liaison
 - Communication with members including new member welcome packet, inquiries, complaints, requests, etc.
 - Communication with Board regarding community updates
 - 24-hours emergency communication
 - Preparation of resale disclosure statements (additional fee)

- Meetings
 - Attend annual and regular meetings per contract (2 hour max)
 - Attend additional meetings (\$100/hour)
 - Prepare meeting packet for Board Members
 - Assist in annual meeting notice preparation and delivery
- Documents & Information
 - Update community website with association documents
 - Maintain office records, books, and accounts
 - Update and maintain member contact information
 - Maintain ARC and Violation information per member
 - Keep updated contracts, agreements, documents, etc.
- Rules Enforcement
 - Assist association in adopting, revising, maintaining and enforcing rules.
 - Recommend action regarding violations
 - Receive, file and communicate all complaints regarding violations
- Contract Services
 - Budget, solicit, and negotiate contracts with Board approval
 - Board shall establish the scope of work and provide to Agent
 - Solicit competitive bids for contracts in excess of \$5,000
 - Enter into contracts in the name of the Association with approval
 - Arrange for legal counsel to prepare and review contracts
 - Provide bids to board for decision
 - Obtain contractor certificates, insurance, license, etc.
 - Assist Association with planning, coordination, and communication regarding projects less than \$25,000
- Architectural Review
 - Enter ARC requests into the community database
 - Provide ARC Committee with requests for decision
 - Send communication to members of the ARC Committee's decision
- Insurance
 - Obtain and maintain insurance policies per Management Agreement
 - Investigate losses and claims and notify insurance carrier and Board of all such losses
 - Contract for and administer repair, restoration, and reconstruction services resulting from fire or other casualty
 - Losses in excess of \$25,000 will require a fee to be paid for managing the insurance claim
 - Agent is not required to solicit competitive bids for repair, restoration and reconstruction related to losses as long as such work is completed for the amount of the insurance proceeds together with the claim deductible paid for such loss.

Site Management

FirstService Residential will assign a Property Manager to each homeowners association to provide an oversight of the account. The Property Manager will conduct routine site visits. Tasks during an on-site visit include:

- Maintenance of Common Elements
 - Check on maintenance issues and report to Board for action
 - Conduct routine site visits
 - Communication with contractor service providers
- Inspect for rule violations
- Coordination of various Board-approved actions
- Ensure that lawn care, pool cleaning, and other vendor tasks are completed based on the contracted specifications.

Accounting Services

FirstService Residential will handle the aspects of the community finances. Accounting services for the association include:

- Prepare and submit recommended operating budget to Board 60 days prior to fiscal year end.
- Assist Association with obtaining a third-party reserve study
- Collect, record, account for and deposit Association funds
- Maintain and reconcile accounts on a monthly basis
- Review, approve and process bills and payments for Association
- Arrange for the billing and collection of assessments
- Maintain records of all expenditures and receivables
- Provide detailed record-keeping on all accounts payable and accounts receivable to the Association within 25 days from the close of each month for the preceding month.
- Prepare annual report and tax returns (additional cost associated)
- Sending Delinquent notices per the association guidelines
- Initiating legal action for collection of funds according to the board's directives and policies
- Working with the association's attorney when coordinating legal action

Excluded Services

FirstService Residential provides many services to assist the Board in the management of their Association, however, certain requested activities may, however, require extraordinary time commitments or expertise outside the scope of the parties' reasonable intentions. The following services are NOT provided:

- Direction and instructions from Board Members and Committee Members outside of regular meetings
- Provide project overview / recommendations as Agent's personnel are not engineers, mechanical experts, or construction experts
- Guarantee or warrant the work of contractors

- Perform exhaustive or technical building infrastructure inspections, testing or assessments of the property
- Provide opinions for evaluation, repair and maintenance of common elements and limited common areas and facilities and of units owned by the Association or that are subject to insurance claim restoration work to be provided by the Association
- Authority or obligation with respect to maintenance or repair of any unit within a property with the exception of an emergency
- Authority to make structural changes, major alterations, or additions
- Provide preparation or review of contracts presented by the association.
- Assist Association with planning, coordination, and communication regarding projects in excess of \$25,000. This service regards a fee equal to 5% of the project cost.
- Make decisions regarding submitted ARC requests (approval, denial, conditional, etc). ARC Committee must complete this function.
- Make any expenditures outside of budgeted and/or approved expenses in excess of \$5,000
- Litigation support, unless paid to the Agent at a rate of \$100/hour
- Revisions of the governing documents, including work with the board, committees and legal counsel
- Processing, supervision and negotiation of warranty claims
- Consulting, administration and approval requirements for agencies providing financing to members of the Association
- Preparation and production of reserve studies, capital improvement schedules and statutorily required property maintenance plans
- Planning, management and coordination of capital replacement projects and insurance restoration projects over \$25,000
- Collect insurance policies and/or proof of insurance from owners