



SCOTTSDALE COUNCIL OF HOMEOWNERS ASSOCIATIONS

SCOHA NEWSLETTER

IN OUR 42nd YEAR

November 2016

non-profit corporation organized under the laws of Arizona

Litigation Issues Affecting HOAs - November 17

The November 2016 SCOHA meeting will take place on **Tuesday, November 15, 2016** at **noon**. Attorney Curtis Ekmark will be the speaker. He will focus on **litigation issues** facing all associations, as well as potential legislation that will be addressed by state legislators this coming session.

Finally, he'll answer your HOA-specific questions.

Mr. Ekmark earned his undergraduate degree from Marquette University and received an academic scholarship to attend Pepperdine University School of Law. In addition to serving as President on SCOHA's Board of Directors, Mr. Ekmark practices in the area of community association law, with an emphasis on litigation. He frequently lectures on association issues and has won several significant cases in this area.

We look forward to seeing you on November 17! Please Call Andrea Moscarello at 480-922-9292 or send an e-mail to andream@carpenterhazlewood.com by 2:00 p.m. on Friday, November 11 to make your reservation for the November 15 meeting.

SCOHA ANNOUNCEMENTS

Upcoming meetings:

- January 24
- February 28
- March 28
- April 25
- May 23

2 FOR 1 DEAL THIS MONTH!

(see more details on page 3)

WISHING EVERYONE A HAPPY THANKSGIVING AND HOLIDAY SEASON!

www.scottsdalehoa.com

SCOHA DATA TO REMEMBER:

Tuesday, November 15, 2016 11:45 a.m.

Lakeview Room McCormick Ranch Golf Club 7505 McCormick Pkwy

\$15.00 Reservations Required

Call Andrea Moscarello at 480-427-2884 by Friday, November 11



480-427-2884

andream@carpenterhazlewood.com

Association Insurance

Summary of the October 2016 Meeting

At the October 2016 meeting, our guest speaker was Paul Davis of The Arizona Group. He spoke to the group about Association Insurance.

Some of the things Mr. Davis discussed was that everything begins with the board of directors, and that it is important that you, as a board, to do your homework. You must understand your duties and obligations as a board member first and foremost. It is also good to know your bylaws, or your association's operating manual. Make sure that your association's bylaws are up-to-date and that the way the association handles issues does not conflict with the bylaws. Mr. Davis also pointed out that it is crucial to know your covenants, conditions, and restrictions, or CC&Rs. CC&Rs are the rules that the board is charged with enforcing. As a board, you should also make sure your employees are doing their job. For instance, if an association is professionally managed, it is the board's job to make sure that the community manager is doing his or her job. Also, be sure to deal with employment and contract issues properly, sometimes in coordination with your legal counsel, if necessary. Be sure that the board is conducting meetings professionally as well. A clear and concise method for conducting meetings should be adopted. Minutes should be taken seriously, and finances should be handled carefully.

The next topic Mr. Davis covered was that of Community Association Risk Management. He stated that at the core, a community association is essentially the same, no matter if it is a condominium, single family HOA, etc. If the community association is properly formed, it can then manage its risk, which is "shared common interest of the association members". The board of directors is the Risk Manager, and the 2 assets for which risk managers must protect are the "lifestyle" of the association (as set forth in the governing documents) and the physical assets of the community association common interest. The risk management team includes the community association manager, any professionals, and volunteers. Mr. Davis pointed out that community association common interest risk exposures usually involve wear and tear and unexpected perils. The keystone to the wear and tear exposure is a properly completed reserve study. The reserve study, when done properly, is the blueprint of the wear and tear portion of the risk management program. In summary, Mr. Davis says that the board's duty is to place the interest of the association above its own in order to protect the assets of the association.

Finally, Mr. Davis covered what he considers the 4 C's of a successful community association. Those 4 C's are (1) Communication (2) Civility (3) Continuity and (4) Certainty. The more a community association sticks to these concepts, the fewer claims, disputes, drama and stress there will be in the community.

HOA TIP OF THE MONTH

Once a member or his/her written representative makes a request for association records, the Board must take the request seriously to ensure compliance with Arizona's Condominium Act or Planned Community statutes. Pursuant to Arizona law, association records must be made reasonably available within ten business days of the request. An association cannot charge an Owner for matters related to a records' request (i.e. review fees, attorney's fees, administrative costs, etc.); however, if an Owner requests copies of the records, the association can charge fifteen cents per page.

-- Erin McManis, Esq.

Questions or concerns? Call Carpenter Hazlewood Delgado & Bolen at 480-427-2800.

2 for the price of 1!

If one Board member attends and pays for lunch in November, they may bring another Board member for free!



Dear SCOHA Members:

It is crucial that all SCOHA members contribute to a legislative action fund in order to protect associations from harmful legislation. We anticipate a difficult challenge again this year at the Arizona legislature and will have no chance of protecting associations and the people who live in them unless we hire a lobbyist. We cannot, however, hire a quality lobbyist without the financial assistance of our membership.

During the past few years, we have seen things change for the worse down at the legislature. Last year, the legislature passed new laws pertaining to community associations. We expect similar battles this year.

The bottom line is that we need a lobbyist in order to make sure that any new laws regarding associations are good for associations and the people who live in them. We cannot hire a good lobbyist without a substantial financial commitment from our members. To that end, we are asking that every association make the best possible donation that it can. At a minimum, we are asking for \$1.00 per home from every association. Please make your check payable to SCOHA and mail it to 6720 N. Scottsdale Road, Suite 261, Scottsdale, Arizona 85253.

This is certainly a worthwhile investment when you think of the risks associated with harmful legislation. It is a small price to pay in order to ensure that we have laws that will make our communities better rather than worse.

Thank you for your consideration with respect to this important issue. As always, please do not hesitate to contact me with any questions.

Sincerely,

Curtis S. Ekmark
President
