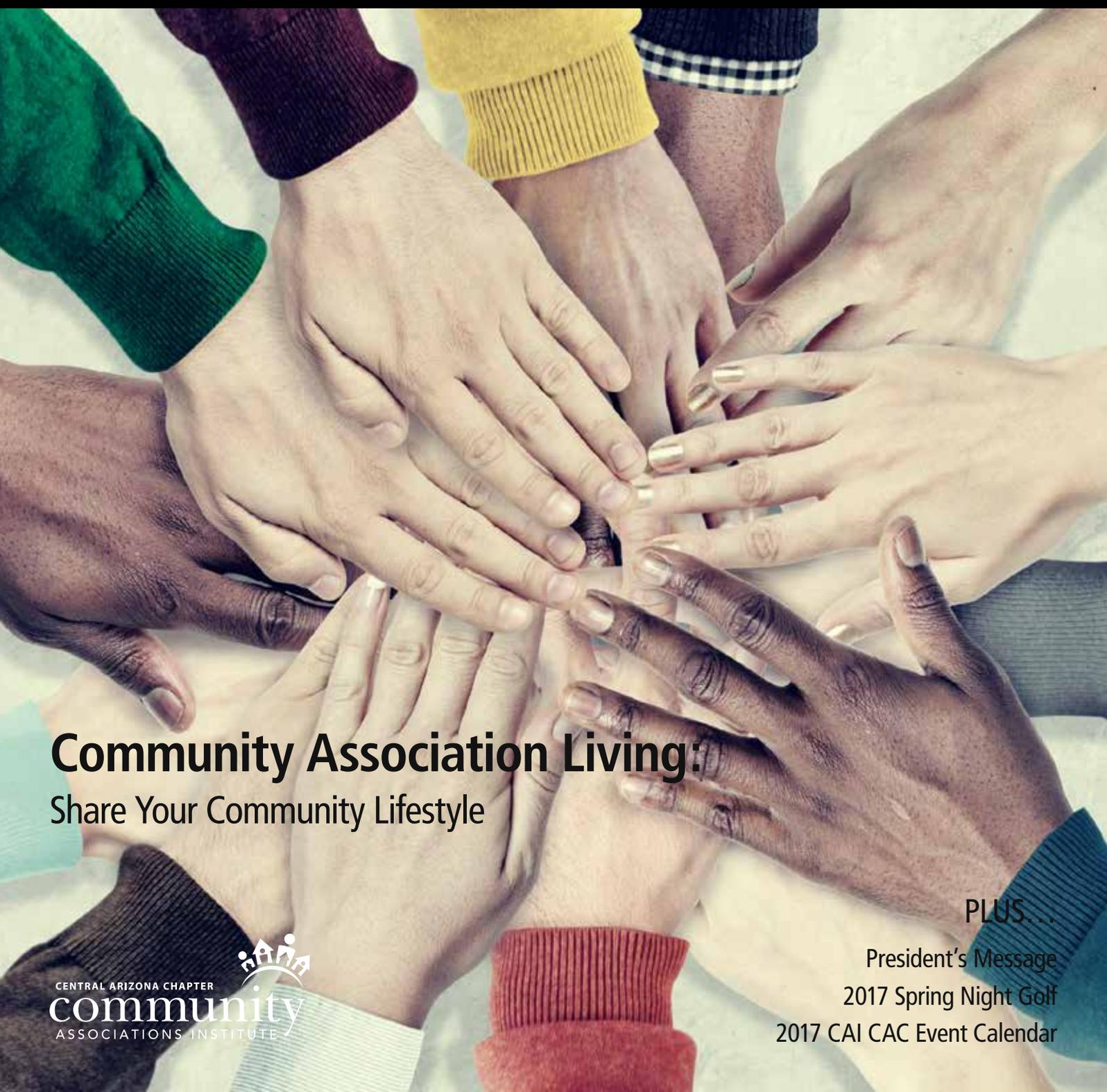


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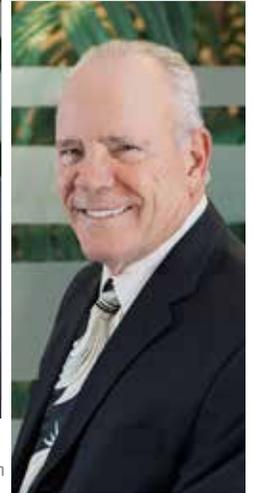
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Community Association Living: Share Your Community Lifestyle

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Community Association Living How do we compare?

By Mark L. Wade, CMCA, AMS, LSM, PCAM

We think most of those HOA residents we serve are happy living in their communities—and we certainly hope you are among them. But how do the more than 65 million Americans who live in homeowners' associations and condominium communities feel about their own homeowners associations and condominium communities? Are they happy with their elected boards? How do they feel about the rules?

The Foundation for Community Association Research, an affiliate of Community Associations Institute (CAI), sponsored a recent national public opinion survey to answer these and other questions. Here are some of the key findings:

- 90% of residents rate their overall community association experience as positive (64%) or neutral (26%).
- 90% of residents say association board members "absolutely" or "for the most part" serve the best interests of their communities.
- 83% say they get along well with their immediate neighbors.
- 92% say they are on friendly terms with their association board members.
- 83% of residents say their community

managers provide value and support to residents and their associations.

- 88% of residents who had direct contact with their community manager say it was a positive experience.
- 70% of residents say their association's rules protect and enhance property value; only 4% say the rules harm property values.

Most managers and management companies would like to think that we do even better than the national averages, so be sure to ask your residents what they think we can do to make our communities even better places to live. Encourage them to get involved, and let you know how you can help. Active and engaged residents are the way to build a true sense of community. If you're especially pleased about your community, share that too! It's always good to know you're on the right track.

More national survey results, which include comparative data from similar surveys in 2005, 2007, 2009 and 2014, are available at <http://www.caionline.org/2014survey>.

*Mark L. Wade,
CMCA, AMS, LSM, PCAM
Central Arizona Chapter President*

From the Editor...

As the president of my HOA board of Directors, I am proud to say that my community offers a variety of events, clubs and activities for a vast multi-generational community. Community Lifestyle/Living is important and brings tremendous value to a community and helps brings

neighbors together and creates long lasting relationships.

*Kayte Comes, MBA, MNML,
CAI Executive Director,
on behalf of the CAI Central Arizona
Magazine Committee*



Community Associations Institute
Central Arizona Chapter

2017 BOARD OF DIRECTORS

Chapter President

Mark Wade, CMCA, AMS, LSM, PCAM
Sun City Oro Valley
1565 E Rancho Vistoso Blvd.
Oro Valley, AZ 85755
520-825-3711
mwade@suncityorovalley.com

Chapter President-Elect

Toni Rudolph
First Citizens Bank
14650 North Northsight Blvd.
Scottsdale, AZ 85260
480-624-0949
toni.rudolph@firstcitizens.com

Vice-President

Suzanne White, CMCA, AMS
MountainBrook Village
5674 S. Marble Dr.
Gold Canyon, AZ 85118
480-983-5555
suzanne.murray@fsresidential.com

Chapter Secretary

Martha Bails
Sun City Grand
19726 N Remington Drive
Surprise, AZ 85374
623-332-1542
grandbails@cox.net

Chapter Treasurer

Jenna Perkins, CMCA, PCAM
CCMC
8630 E. Via de Ventura Blvd., Ste. L100
Scottsdale, AZ 85258
480-921-7500
jperkins@ccmcnet.com

Chapter Directors

Josh Bolen, Esq., CCAL
Carpenter Hazlewood, Delgado & Bolen, PLC
1400 E. Southern Ave., Ste. 400
Tempe, Arizona 85282
480-427-2800
josh.bolen@carpenterhazlewood.com

Linda Van Gelder, CMCA
ALPHA Community Management
19265 N 83rd Ave., Ste. 102
Peoria, AZ 85382
623-825-7777

linda@alphacommunitymanagement.com

Rebecca Herro
DLC Resources
1550 E. Missouri Ave., Ste. 100
Phoenix, AZ 85014
602-721-8544
rebeccah@dclresources.com

CAI Central Arizona Staff

Kayte Comes
Executive Director
602-388-1159
kayte@cai-az.org

Chapter Office

11225 N. 28th Drive, Ste. B102
Phoenix, AZ 85029
Tel: 602-388-1159
Fax: 602-388-1153
info@cai-az.org
www.cai-az.org

Chapter Executive Director's Letter

By Kayte Comes, Executive Director
CAI – Central Arizona Chapter

The theme of this issue was to boast about your communities and all the great events and activities offered within your community associations. The Chapter would like to do the same with our CMCA Challenge offered last December. In this issue there is an article from the public relations firm that works for CAMICB. CAMICB was so impressed with our Challenge participants' grades and passing rate that they wanted to write an article about the success of the event.

This year we will be offering another CMCA Challenge Exam on December 1st. If you are interested in taking the exam please keep a look out for the email blast and registration link, slots will go fast.

Kayte Comes, MBA, MNML
Executive Director
CAI-Central Arizona Chapter

Next Issue's Theme:
"Reserve Funding Means More Than Saving Money"



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Welcome to the Central Arizona Chapter!

The Central Arizona Chapter proudly presents and welcomes our new members from March, April and May.

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Dave Kruse	Fairways at Arrowhead
Annette Manone	Fairways at Arrowhead
Jordan Ring	Fairways at Arrowhead
Doug Dickson	Desert Ridge Community Association
Cheryl Ann Kirkland	StoneRidge

INDIVIDUAL COMMUNITY MANAGERS:

Tiffany Davis	Integrated Community Management Services
Barbara Tedrow	
Dani J. Manery	Total Property Management
Joseph Allen Vermilyea	Leisure World Arizona
Leticia Waite	Road haven RV Resort
Beth A. Overton	DC Ranch
Steven L. Smith	The Rim Golf Club Comm. Asso.

BUSINESS PARTNERS:

Eric Eaves	Nu Flow Services of Phoenix
Jeff Reynolds	Pride Painting & Construction
Karen Vitkovich	Western State Bank
Frank Maloney	Biddle & Brown Fence
Anthony Brown	American Protection Group
Lynn Manion	Association Dues Assurance Corp.
Rachel Garcia	Malarkey Roofing Products



Interested in getting more involved
with the chapter?

All of our committees welcome new members.
Contact Kayte Comes at 602-388-1159 or kayte@cai-az.org.

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CAI estimates that the non-deductible portion of your dues is 17%. For specific guidelines concerning your particular tax situation, consult a tax professional. CAI's Federal ID number is 23-7392984. \$39 of annual membership dues is for your non-refundable subscription to *Common Ground*.

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2017 CAI Annual Tradeshow

CAI-Central Arizona Chapter held their annual tradeshow March 31, 2017. Arizona Consolidated Services was the Presenting Sponsor for chapter's biggest event. Over 400 community managers and HOA board members traveled from all over the state, gathering at the Rawhide's Event Center to see what CAI had in store for this year's show.

The theme for this year's Trade Show was Life's A Beach and many of the exhibitors got into breezy summer feeling making the event fun and festive as the attendees visited each exhibitor booth in the hopes of winning the \$500 prize for completing their CAI Bingo sheet. Many attendees had to make several trips to their cars to drop off their give-a-ways because there were so many exhibitors this year. The event had over 120 booths, each exhibitor stocked their booth with company information, creative give-a-ways, games and raffle prizes, which gave attendees an entertaining opportunity to meet and greet each exhibitor.

As the tradeshow came to a close, all participants gathered together in the lunch area for a fabulous catered lunch, libations and networking. After lunch, the fun continued with raffle drawings from many generous exhibitors; community managers and HOA board members, a like, crossed their fingers in hopes of winning one of many fabulous prizes.

Although every booth was creative, a special recognition is in order for our booth exhibitor winners who had the best decorated and interactive booths:

- 1st TAP & Sons
- 2nd HOA Playground Services
- 3rd Chaix Law/RENCO Roofing

2017 Night Golf at TopGolf



For the second year in a row, CAI's Central Arizona held the ever-popular Night Golf at TopGolf in Scottsdale, AZ. Special thanks to our Presenting Sponsor Sherwin Williams Pants for sponsoring this fun night with friends and golf! TopGolf is a driving range style venue where games are played from "bays". Each bay accommodates up to 6 players playing a target game where points are awarded for hitting different targets. The golfer

with the most points wins - and we had plenty of winners that night! Nearly 100 attendees packed 16 bays and everyone had a great time hitting balls off the second story tee boxes. There was also plenty of room for lounging in the bays and enjoying each other's company.

TopGolf served up a fantastic buffet dinner sponsored by All City Towing.

This event was a hit and we are excited to bring it back next year, perhaps even bigger and better! Be sure to check out pictures from the event on our Facebook page as well as CAI-CAC's Instagram and Twitter accounts. Be sure to keep an eye out for updates on upcoming events!





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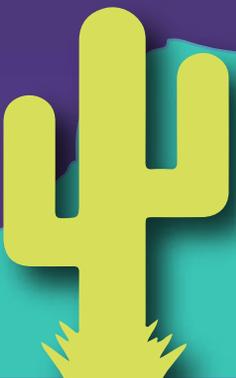
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Central Arizona CAI Chapter Gives CMCA Candidates the Tools They Need to Succeed

By Lydia G. Pelliccia



When Kayte Comes, Executive Director of the CAI Central Arizona Chapter, took the leap to invest a significant amount of resources into a program to support and encourage community managers to earn the CMCA credential, she had no idea it would be so popular. So fast.

Comes developed the program, The CMCA Challenge, with an emphasis on meeting the specific needs of managers in her community. Specifically, they targeted community managers who only held the local certification (the Certified Arizona Association Manager) and those community managers who lacked employer support to earn the CMCA credential.

“We really wanted to create a unique opportunity for candidates to attend a focused CMCA study session, conducted by highly qualified Central Arizona PCAM managers, culminating in candidates taking the CMCA exam that very same day,” said Comes. “It was also important to offer the study session and exam at an appealing price point.”

Comes and her team at the Central Arizona Chapter opened the registration process for The CMCA Challenge in September 2016 and within two days, the session was full with a total of 60 participants. The cost per participant was \$50, including the exam fee.

Participants were given instructions to download the free CMCA Study Guide and to begin preparing, on their own, for the exam. They had three months to review the materials and familiarize themselves with the exam content. Comes and her team were in regular contact with the program participants, reminding and encouraging them to study and prepare to make the most out of that day. Then, on December 7, 2016 the group convened in Phoenix for a structured three-hour study session where they went through the practice exam, asked questions and shared different business scenarios. Following a one-hour break for lunch, the group took the two and a half hour CMCA examination.

The CMCA Challenge was intended for experienced community managers, but the requirements were simple. A candidate had to meet one of the following criteria:

- A candidate had to be a community manager for at least five years.
- A candidate must have successfully completed the M100 course.
- A candidate must hold the CAAM certification.

Said Comes, “We were thrilled to have a 91 percent pass rate which is the highest passing rate in the country for a group that size who took the exam.”

In addition to the interactive, in-person study session, Comes credits the success of the program to starting the process early – allowing three months of study and preparation with weekly reminders and words of encouragement.

The CMCA Challenge participant Doug Eagen, CMCA, shared this: “I was very happy to hear the news that I passed the CMCA Challenge! The support we received from the Chapter was unprecedented and I really appreciate them undertaking this CMCA Challenge event. I hope it will be duplicated in many other places.”

In a business driven by community, Comes noted, “We also reached out to the community and received incredible support from a number of organizations including Burg Simpson, Butler Hansen, PC, Desert Classic Landscaping, Goodman Law Group, KLWT, Metro Phoenix Bank, PPG Paints, Sherwin Williams and Father Daughter Reserve Studies.”

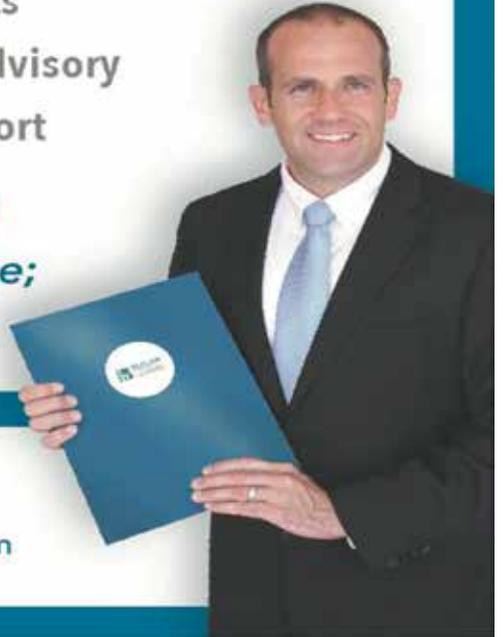
Comes hopes to make The CMCA Challenge an annual event.

Lydia G. Pelliccia, independent marketing and communications consultant working with CAMICB (on a contract basis) to help raise awareness of the CMCA credential and its importance.

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*By Javier B. Delgado, Esq., Mark K. Sahl, Esq.
& Dawn Engel, CMCA, AMS*

Background

It is estimated that half of Americans don't know the names of their neighbors. One in three Americans reports never having interacted with their neighbors.

Today, online social media networks such as Nextdoor® and Facebook® are increasingly taking the place of having the neighbors over for dinner.

Until recently, a community association's on-line presence usually consisted of an official community association website, which provided contact information, meeting notices, and association records and forms.

In the meantime, a neighborhood social network revolution has enabled an entire generation of homeowners and residents to enjoy an ongoing conversation about community issues.

Nextdoor® has emerged as a leading social network for homeowners and community association residents to connect with one another. Nextdoor® focuses on specific neighborhoods (at the community association level) and utilizes a verification process that requires proof of physical residence/ownership prior to authorizing a user to join the "neighborhood network". Homeowners and residents who otherwise might never have met are now in a position to exchange recommendations regarding residential landscapers, put out the call regarding a lost pet, and express their unmoderated opinion regarding the community association's enforcement of the use restrictions.

Whereas the official Facebook® page model distinguishes between posts and comments by the page administrator, and leaves to the administrator's discretion as to whether or not to disable third party user comments, Nextdoor's® architecture does not. For Nextdoor®, there is no central administrator – just an online community of neighbors.

Board members who elect to participate in online discussions must distinguish between their personal opinions and official association positions

Community association board members participate in online forums in an official capacity, individual capacity, and sometimes unknowingly, in a semi-official capacity. This can create an issue if those members are not very clear about the context in which they're speaking or commenting.

While every community association member board member also holds parallel status as "just a homeowner", there is tendency for homeowners and residents to perceive communications related to association business from active board members as official association communications, whether or not that's the case.

For this reason, Board Members should be wary of participating in online forums, and should as a rule encourage homeowners to bring their issues, complaints or recommendations to the Board via the management company, or at a meeting.

When is a party liable for its online communications?

As a general rule, liability for defamation may arise if you communicate to a third party a false and defamatory statement while knowing the statement was untrue, recklessly disregarding whether or not the statement was true, or failing to ascertain the truth of the statement. Put another way, if you author it, you may "own it".

In Arizona, the elements of a defamation claim are as follows: (1) A false statement concerning the plaintiff; (2) The statement was defamatory (i.e. the statement was false and brought the defamed person into disrepute, contempt, or ridicule, or impeached their honesty, integrity, virtue, or reputation); (3) The statement was published to a third party; (4) The defendant was at fault (i.e. negligent) in making the statement; and, (5) The plaintiff was damaged as a result of the statement. There are several defenses to a defamation claim, including the affirmative defense that the statement was true. However, it can be risky to rely on these defenses, as they still must be proven in court.

Compare the following two scenarios:

1. Big Blue Sky community association has an official social media page on Facebook®. The Board President, acting in an official capacity as the President, posts the following comment to the Association's Facebook® page: "Bugs-Be-Gone exterminators stink! #makeourHOAbugfreeagain #ewwIwannamove!" Bugs-Be-Gone in fact does a great job. As a result, Bugs-Be-Gone loses a number of valuable commercial extermination contracts. Bugs-Be-Gone brings a claim for defamation against Big Blue Sky community association. Is the Association potentially liable for defamation?

Here, Big Blue Sky community association's statement was

authored by a community association representative, acting in an official capacity, the statement was communicated to third parties (published on the Association's Facebook® page), and the statement was in fact, untrue. In this particular case there is also evidence that Bugs-Be-Gone exterminators suffered economic harm directly as a result of the defamatory statement.

2. A homeowner posts the following comment to Big Blue Sky community association's Facebook page "Bugs-Be-Gone exterminators stink! #makeourHOAbugfreeagain #ewwIwannamove!" Bugs-Be-Gone in fact does a great job. As a result, Bugs-Be-Gone loses a number of valuable commercial extermination contracts. Bugs-Be-Gone brings a claim for defamation against Big Blue Sky community association. Is the Association potentially liable for defamation?

In the second scenario, the answer is that Big Blue Sky community association is probably not liable for defamation, as there is no evidence that the Association authored the comment. The homeowner who posted the comment however probably is liable, and a best practice would be for the Association, to review all posts to the Association's Facebook® page prior to publication and upon request by Bugs-Be-Gone, to remove the offending comment.

When users post clearly offensive or derogatory comments, the instinct can be to edit them. Doing so could result in the association "buying into" the author's liability for the comments. The best practice is to simply delete the comments, to the extent that this is technically feasible.

Defamation lawsuits are more common than many believe. Several years ago, a high profile case was litigated in Arizona that involved two Scottsdale cosmetic surgeons and one of their patients. The patient in that case was not pleased with her results, so she posted numerous comments about the doctors on various websites and in public forums. She even created her own website to warn others about the doctors and to question their credentials. The doctors alleged that the statements were untrue, baseless, and defamatory. The doctors also alleged that the statements and postings significantly damaged their business, costing them more than \$1 million over the course of three years. A Maricopa County jury agreed and awarded the doctors \$12 million (the Arizona Court of Appeals later overturned the verdict). This case shows that individuals are not simply allowed to "speak their mind" over the internet with impunity. There can be serious ramifications when it comes to defamatory postings.

Addressing a rogue community association's board member's online comments

When controversial situations arise, community association boards have to make tough decisions, and it is not always possible to reach a unanimous resolution.

Board members of community associations have a legal relationship with the community association and a corresponding legal duty to the community association. There are three general components: acting in good faith, a duty of care, and a duty of loyalty. These duties are reflected in the Arizona nonprofit corporation act at A.R.S. § 10-3830.

This does not mean that a community association board member must agree with every decision of the board. It does, however, prohibit individual community association board members from taking actions that would be to the detriment of the community association.

A director is to act "in a manner the director reasonably believes to be in the best interests of the corporation," according to the statute.

Arguably, posting comments online that undermine a decision that the community association board has made is not in the best interests of the corporation and a potential violation of an individual's duty as a community association board member.

Tips for limiting and avoiding liability

Lifestyles and communication styles are ever-changing and when utilized properly, the integration of social media platforms as means of communications between community association boards and their homeowners can benefit all parties.

Nevertheless, community association board members have a duty to stay informed regarding the potential harm their online social media comments and activities could cause the community association.

When in doubt as to whether or not to initiate/comment on a post, the best practice may be to consider the potential activity in the event it was to be attached as "Exhibit A" to a defamation lawsuit against the community association.

The most conservative approach would be for a community association board to adopt a comprehensive ban on board members commenting on/engaging in any association related social media, unless community association board members were expressly authorized to comment on/engage in, by the board at a duly called meeting. Such a ban would presumably include but not be limited to the community association's official Facebook® page/official webpage, unofficial or unregulated venues such as NextDoor®, community association blogs, and other online forums (that address community association business).

Short of enacting a comprehensive ban, community association board members who elect to comment on/engage in social media addressing association related issues, should at a minimum ensure that their communications remain professional, do not violate some board confidence (for instance it would be inappropriate to discuss issues covered by the executive meeting privilege), are free from any racial, ethnic, religious, familial bias, remain unoffensive, and that any activity/comments are clearly identified as being those of the individual board member's as opposed to the official position of the community association.

Javier and Mark are shareholders of Carpenter, Hazlewood, Delgado & Bolen, LLP. Javier is licensed in AZ, NM, and UT. Mark is licensed in AZ and UT. They can be reached at 480.427.2800 and javier@carpenterhazlewood.com and mark@carpenterhazlewood.com. Dawn Engel is a community manager with Planned Development Services. Dawn can be reached at 623.298.6005 and dawn@pdsaz.com.

Music, Movies and Fun

By Erin McManis, Esq.



In addition to the scorching heat, the summer is synonymous with vacations, BBQs, the pool, and generally having fun! Associations are no exception, and many Associations have community events during the summer. While having a community BBQ or pool party is certainly fun and a great way to interact with members, the Association should make sure it has the proper license before showing Chevy Chase's *Summer Vacation*, or before streaming music at the pool.

If an Association plans to show a movie at its clubhouse, the Association must have the proper license, or the Association will be in violation of federal law. While individuals don't need to have a license to watch a movie in his/her home, to view a movie 'publicly' a license is required. Pursuant to the Copyright Act, only the copyright owner holds the exclusive right to display or perform the copyrighted work publicly. If the Association shows a movie to the general membership, that will be classified as a public performance. It is important to know that if the Association shows a movie to the general membership, this viewing will be classified as a public performance regardless of whether the Association charges an admission fee or cover charge.

The penalties for showing a movie without the proper license can be stiff—civil damages can be as high as \$150,000 for a single violation. However, if the Association wants to show a movie to the membership, the Association can legally do so, once it obtains the proper license. There are a couple of companies that issue licenses, and generally the licenses are relatively inexpensive.

Additionally, if the Association wanted to stream music at its pool, or have a karaoke night, the Association also needs a license or the Association will be in violation of the Copyright Act. Similar to movies, the Copyright Act vests the owner of a copyright with the right to the public performance of their copyrighted material, as well as songs or musical works. If the Association streams music at the pool, or otherwise plays music to the membership, that is a public performance and the Association must have a license. Each unauthorized performance constitutes a separate act of copyright infringement which may result in damages from a minimum of \$750 and up to a maximum of \$150,000 per unauthorized performance.

Just like showing a movie, the Association can legally stream or play music for the membership if the Association has the proper license. There are three major performance rights organizations with the American Society of Composers, Authors and Publishers ("ASCAP") being the largest organization. The ASCAP licenses the right to perform songs created and owned by songwriters, and composers who are members of the ASCAP. For a monthly fee, the Association can obtain a license through ASCAP to play music within its database.

With a little bit of planning, the Association can still have great events this summer, without worrying about getting a costly penalty for Copyright infringement.

Erin McManis, Esq., Attorney – Carpenter, Hazlewood, Delgado & Bolen, LLP

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Open Communication Leads to Happier Communities

By Rebecca Herro, Director of Development, DLC Resources, Inc. and Sarah Gorvin, Communication Specialist

When do your residents hear from their Community Association? Is it when the weeds in their lawn get a little out of control? Or when they get a response from the design committee on the new deck they'd like to build? Or that time they forgot to move their garbage bins off the curb?



When Communities provide lifestyle events, we often see more engaged residents and a stronger sense of Community.

Community Associations can get a bad rap; they're the "enforcers" — writing residents citations and reminding them of the rules. If this is the only interactions residents see from an HOA, it's no wonder they're not thought of very highly. That's exactly why community events and programs are so crucial.

As a Landscape Management Provider, we get the opportunity to work closely in Community Associations every day. When Communities provide lifestyle opportunities —pancake breakfasts, movie nights, educational talks, fitness programs, recreational sports leagues or anything else that brings people together — we see more engaged residents and a stronger sense of Community.

It makes sense.

Instead of coming out fighting and exchanging heated opinions in a stuffy, formal board room, residents get the chance to interact with Community management over a picnic lunch or before a Disney movie showing. It's a more pleasant environment to ask questions and hear responses. More importantly, it allows Communities to build more personal relationships with their residents.

We're not saying Community events will mean you never hear complaints again, but they can definitely go a long way in building trust and establishing less intense lines of communication. So, when residents do have a complaint, they might be more understanding or more willing to work with you on a solution.

As a business partner, we love getting the opportunity to participate in Community events. Over the years, we've grilled hotdogs at BBQs, served popcorn at movie nights, decorated pumpkins with kids in the fall and planted flowers with them in the spring.



As a business partner, we love getting the opportunity to participate in Community Events because it gives us a chance to get to know residents and for them to get to know us.

We don't normally get the opportunity to interact with residents while we're out working in the common areas, so special events give us the chance to get to hear from residents in a relaxed environment. Better yet, they get to know us. We're no longer just a name that comes up at Board meetings or a logo on a truck. Instead we get the chance to show them that we're real people who truly care about their Community.

Aside from fostering a better relationship between the Association and residents or between business partners and residents, Community engagement also goes a long way in building relationships between residents themselves. Even in HOAs, it can be easy for residents to get caught up in their own worlds.

But special events, Community education and activity programs can be great ice breakers, allowing residents to meet and mingle. The benefit of this is twofold; residents get to know their neighbors, strengthening their sense of Community and security. It also makes it more likely that they'll be able to nicely tell them their dog was barking at 2 a.m. or their weekend get-togethers are a little too loud. And wouldn't it be nice if more homeowners settled their disputes on their own without involving Community Management?

When it comes down to it, communication is key to any relationship. In HOAs, the more lines of communication that are open, the better. Aside from being a good time, Community and Lifestyle events are a great way to enhance communication and strengthen the relationships between your HOA and your residents.



Lifestyle events are great opportunities to bring residents, business partners and community management together.

Rebecca Herro is Director of Development at DLC Resources, Inc. Since moving to Arizona in 2007, Rebecca has been involved with the Community Association Industry; first with a developer at a premier Community in the west valley and now with a Phoenix-based landscape company that specializes in the landscape management of large communities.



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Lifestyle: More Than a Buzzword

By Craig Pustejovsky

Lifestyle. One word encapsulates many meanings. For some, it's belonging to a club or social group; for others, it's participating in a large community event mustering memories of days gone by. I believe this resident's story exemplifies what lifestyle means and how it affects a community.

While shopping for a new home, Brian and his wife, Rona, stopped at the community's amenity center. Visiting the Lifestyle Office, they met the Lifestyle Director, who encouraged them to return that weekend for one of the monthly community events as this would be a great opportunity for them to "test drive" the culture of the community.

Brian and Rona did return, and what they found lasted much longer than the afternoon they spent on the event lawn. They discovered a feeling of community, a sense of belonging and a network of people they would grow to call friends and neighbors.

The experience pushed Brian and Rona to buy a home in the community. Then, a year later, a call was put out seeking residents to host block parties in their neighborhoods, and they were among the first to respond. "I could live anywhere I wanted, really, but this is where we want to be," Brian said. "We love the people; we love the community."

To some, events are just that, an outlet providing entertainment for a few short hours. But when a community uses those events as a launching pad to develop community and increase engagement with and among the residency, the possibilities are endless.

We should thrive on that philosophy and employ a multi-faceted approach to building a true sense of community, not just an artificial label used on marketing collateral. To that end, we should focus on three primary areas: communications, programming and social events.

COMMUNICATIONS

Although not always tied directly to lifestyle, these two departments work together to connect residents with the information they need. This includes the use of tools such as a website, which allows visitors to learn about events, purchase tickets, register as a volunteer, express interest in sponsorships and more. These are all key components of a healthy lifestyle program, and enabling residents to participate on their own time is vital to continuing growth and expansion.

Another tool could include weekly email newsletters focused on lifestyle. With detailed descriptions of events in the next two weeks, basic details and website links for events within the next month and a selection of fliers promoting clubs and classes, this newsletter can be a way of keeping residents informed and encourages engagement.

Additionally, tools such as social media or a community magazine can be utilized to promote events and activities in the community. Using a diverse range of media ensures you'll reach all audiences in your community, especially if you serve a multi-generational residency.

PROGRAMMING

Large social events aren't for everyone. Sometimes, residents seek more intimate settings where they can develop closer relationships with their neighbors. Offering a robust array of classes and clubs provides this opportunity, while also pairing like-minded residents.

With clubs ranging from euchre to yoga, pet lovers to photography – try to appeal to residents of all interests. Encourage your team to consistently add new programs with the assistance of resident volunteers serving as club facilitators. Having this level of involvement creates a sense of ownership among the participating residents, which, in turn, helps build the feeling of community for which we strive.

SOCIAL EVENTS

When hearing the term "lifestyle," this is what most people conjure in their minds – large events and Kodak moments waiting to happen as families gather for an Easter egg hunt or to watch the fireworks on the Fourth of July. This is lifestyle in its grandest form.

Yes, large community events are important, perhaps even vital, for a community's lifestyle program to succeed. It's all too easy, however, to fall into a trap of focusing solely on these events and neglecting to offer smaller ones throughout the year. In terms of a lifestyle program, the whole can be more than the sum of its parts, and each event or activity has a role to play.

For every egg hunt with 600 youth involved, there's a Friday morning event giving 30 stay-at-home moms and their children an easy entertainment option on a blistery

summer morning. For each Oktoberfest with 300 adults enjoying German-themed fun, there's a pool party bringing about 100 residents together at the start of summer.

For many communities, there is a challenge to providing outlets for a multi-generational residency composed of natives and transplants from across the country. By expanding the perception of "lifestyle" and what you are able to accomplish as an Association, you can engage residents and create a genuine sense of community that truly feels like home.

While there will always be naysayers who question the investment in lifestyle, these avenues of community participation and engagement are continually cited as one of the top reasons for living in a community offering them. Each event might have its own price tag, but the dividends they pay in the intangible benefits of community support and satisfaction are invaluable.

Craig Pustejovsky, is the CCMC Community Manager for Vistancia. CCMC provides community management services to the Vistancia community.



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Keeping Your Homeowners And Employers Confident In Your Ability To Provide High Quality Service



By Sara B. Duginske, M.S., Director, Credentialing Services Community Association Managers International Certification Board (CAMICB)

If you're one of many CMCA's gearing up for the Fall and Spring recertification cycles, the summer months are a perfect time to regroup and recharge by participating in fun and educational learning opportunities. It's never too early to make sure you're on track to successfully complete the process. Recertification means you're an accomplished professional committed to developing your skills and knowledge.

Recertification is a critical component to promoting and demonstrating continued competency in the community association management profession. In order to maintain the CMCA credential, recertifying CMCA's must participate in continuing education in the field of community association management totaling at least 16 hours of continuing education coursework every two years, and pay the \$105 annual maintenance fee.

CMCA Recertification: Reinforcing The Value of The Essential Credential

The CMCA examination is NCCA-accredited and in the professional credentialing industry, NCCA accreditation represents compliance with best credentialing industry practices. As a CMCA you can continue to enhance your marketability, show your dedication to your profession, and provide the highest level of guidance to your associations by continuing your education and maintaining your certification.

Recertification also provides the opportunity for you to reaffirm your commitment to the CMCA Standards of Professional Conduct to your community associations, your employers, your peers and the millions of people living in community associations.

There are numerous professional development opportunities for CMCA's, ranging from college degrees and coursework, to conferences, professional coaching, community workshops, seminars, symposiums, and webinars. There are many courses offered that cover a wide range of topics including community association management operations, administration, legal requirements, accounting, human resources, and public administration.

Continuing Education

In February 2017, the CAMICB Board of Commissioners approved a new continuing education policy for individuals seeking CMCA recertification.

CMCA's earn 18% more than non-credentialed managers.

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The National Commission For Certifying Agencies (NCCA) was created in 1987 by the Institute for Credentialing Excellence (ICE) to help ensure the health, welfare, and safety of the public through the accreditation of a variety of certification programs/organizations that assess professional competence. NCCA accredits over 200 of the leading credentialing examinations in the United States, including the CMCA examination.

Make sure to familiarize yourself with those changes, many of which are located in the Credit Specification section which can be found here: <https://www.camicb.org/Pages/Continuing-Education.aspx>

In addition, it's important to note that anyone who meets the continuing education requirements to maintain the following credentials will meet the CAMICB continuing education requirement:

- CAI's Association Management Specialist (AMS)
- CAI's Professional Community Association Manager (PCAM)
- National Association of Housing Cooperative's (NAHC) Registered Cooperative Manager (RCM) designation
- Florida's Community Association Manager license (CAM)
- Nevada's Community Association Manager certificate

Recertification requires the completion of 16 hours of continuing education within your two-year certification period.

Not sure of your recertification date? Go to: <https://www.camicb.org/find-a-cmca>

Are you receiving the CAMICB SmartBrief, exclusive to CMCA credential holders? This weekly snapshot of both industry and CAMICB news will keep you up to date on what's happening in the field of community association management: <https://www.camicb.org/Pages/Smartbrief.aspx>

Visit www.camicb.org for useful resources, links, approved continuing education courses and providers.

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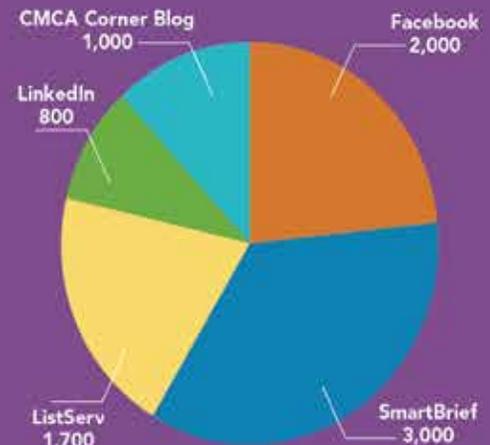
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CMCA's stay CONNECTED



2017 Legislative Session

By Ryan DeMenna

If you hadn't already noticed, homeowners' associations (HOAs) tend to be a pretty popular topic at the Arizona State Legislature.

State lawmakers convene Arizona's legislative session every year on the second Monday in January. And shortly thereafter, they begin debating legislation that covers everything from the bizarre – like declaring a state mineral (which is now wulfenite) – to the mundane – like the State Budget for the coming Fiscal Year.

But amidst all the chaos, HOAs receive more attention than you might imagine.

Over the last ten years, Arizona's legislative session has lasted an average of 131 days. Over that same period of time lawmakers have managed to introduce an average of 1,270 bills every session. Of those bills, an average of 24.3% were eventually signed into law. This, however, is not to say that one out of every four bills will be successful. It's just not that easy.

These averages hold true every year, and the 2017 legislative session was no exception. This year's session lasted 122 days and 1,079 bills were introduced. Of those bills, 342 were signed by Arizona Governor Doug Ducey, and 11 were vetoed.

Over the course of the last five years, the Community Association Institute's (CAI) Legislative Action Committee – or the LAC – has tracked and engaged on over 150 pieces of legislation. This comes to an average of roughly 30 bills every legislative session.

To put that in context, this is on par with the level of legislative activity that the state's three universities see every year.

So again, HOAs receive more attention by Arizona Legislators than you might imagine.

Of the 150 bills the LAC has tracked over the last five years, roughly 110 were defeated, while the remaining 40 or so were able to advance only after the LAC's review, and any necessary changes were incorporated into the bills.

The process of having the LAC "scrub" bills has proven to be extremely effective. And, with the exception of a few outliers – which you will read about shortly – CAI has been extraordinarily successful in conditioning the legislative environment with respect to HOA policymaking.

This is the case for a handful of reasons. But two reasons, in particular, really stand out:

(1) CAI's ongoing presence at the Arizona State Capitol has ensured that its message resonates with policymakers. Consider the fact that Arizona legislators serve two-year terms, and every other year nearly one third of Arizona's legislative

body is brand new to the policymaking process. With so many fresh faces at the Capitol every election cycle, an ongoing and consistent message is all the more critical.

That message has always focused on the importance of the private contractual agreement entered into when moving into an HOA, as well as the importance of local control.

In other words, government should not be micromanaging HOAs.

CAI's message really resonated with one elected official in particular this year, which you will also read about shortly.

(2) CAI's constituent services program. In the past, legislators would simply introduce a bill to address an issue their constituent may be having in their HOA. But a "one-size-fits-all" legislative solution to a single HOAs issue can cause serious problems for other HOAs across the state. So, it's always best to explore the local solution.

For many years now, CAI has had a constituent services program in place that encourages state Senators and Representatives to reach out for help before going the legislative route. This process has shown state lawmakers that there are resources available to them outside of the lawmaking process that allow them to assist their constituents.

Despite this good work, there are always outliers, as mentioned earlier.

This year's most enthusiastic outlier was Senator David Farnsworth (R – LD 16). Senator Farnsworth is a legislator from the East Valley who began meeting with a group of unhappy homeowners at the end of the 2016 session. This group met multiple times over the summer, and CAI was purposefully not invited to the table. In the end, they developed nearly 50 legislative proposals to be introduced in the next session.

As the 2017 legislative session drew closer, CAI and other stakeholders were finally invited to provide feedback on Mr. Farnsworth's key issues, which included proposals that would require community managers to register with the Department of Real Estate (a penalty for noncompliance was under consideration), establish special improvement districts in lieu of HOAs, establish a mandatory arbitration process, prohibit the award of attorney fees to an HOA in the dispute process, manager licensing, and more.

Needless to say, CAI's feedback was not well-received, and Senator Farnsworth introduced a total of seven "un-scrubbed" HOA bills.

Other policymakers, who were made keenly aware of the fact that CAI was not at the table when these proposals were crafted,

opposed the measures, and not one of the Farnsworth HOA bills made it to the Governor.

Other HOA proposals, however, did make it to Governor Ducey, but his response sent a signal that he strongly agrees with CAI's messaging and approach to HOA policymaking.

One proposal, introduced by Representative Ken Clark (D-LD 24), sought to ban cumulative voting. Representative Clark's legislation made it to the Governor, but was met with the first veto of the 2017 legislative session. In his veto message, Governor Ducey stated that he vetoed the bill because "it is not the role of government to regulate the way homeowner's associations vote in their board meetings."

It was a remarkably short veto letter – only two sentences.

A few short weeks later, HOA legislation sponsored by Representative Phil Lovas (R-LD 22), a West Valley legislator who resigned his seat to lead Trump's Small Business Administration for a handful of states, was signed by Governor Ducey, who caught a little heat for the perceived "flip-flop" when it comes to HOA policymaking.

Before his departure, however, Representative Lovas had asked stakeholders – including CAI – to sit down and identify consensus provisions that could advance in the bill. The Governor and his team were aware of this process, and crafted the following signing letter after giving the legislation his approval.

"I do not believe that government should micromanage the operation of homeowners' associations. I have signed HB 2411, however, because it promotes transparency and participation for all residents in homeowners' association governance. This bill reflects compromise among many stakeholders. It will, ideally, provide residents the opportunity to resolve issues as a community rather than seek government intervention."

The Governor's approach to HOA policymaking could not be more clear: government should not be micromanaging HOAs.

And Governor Ducey's message to Arizona lawmakers not only amplifies CAI's ongoing messaging at the state capitol, it reinforces the organization's entire approach to HOA policymaking.

So, while HOAs will likely continue to be a focus at the Arizona State Legislature, policymakers now have a roadmap from the Governor that will help them navigate these issues in a way that will provide HOA residents with the "opportunity to resolve issues as a community rather than seek government intervention."

The best part is that this is the same roadmap that CAI has been using all along.

Ryan DeMenna is the co-owner of DeMenna Public Affairs. They are the lobbying team for the Central and Southern Arizona Chapters of Community Associations Institute.

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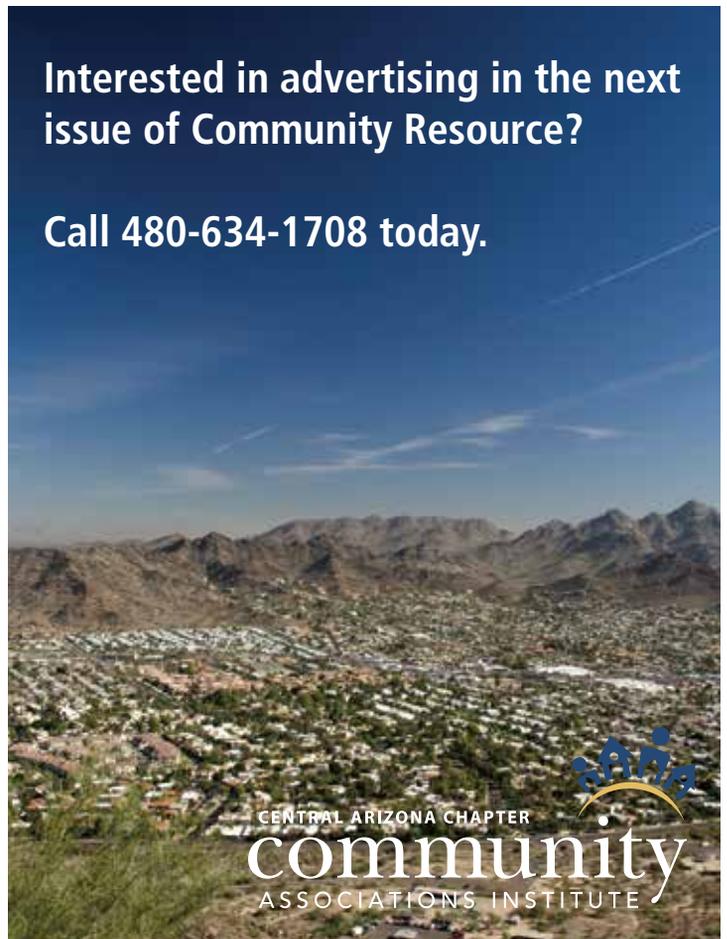
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New Legislation and Board Meeting Requirements



By Lynn M. Krupnik, Esq., CCAL

One requirement that applies to all condominium and planned community associations is the requirement to hold board meetings. How a board holds its meetings and for what reasons it holds executive sessions are often matters of contention between the board and the association's members. With new changes to the law regarding board meetings becoming effective August 9, 2017, now is a good time to review the requirements for board meetings. Therefore, as of August 9, 2017, all boards of directors for condominiums and planned communities must comply with the following requirements:

Notice

By law, for all board meetings held after the period of declarant control, the board must provide at least forty-eight hours' notice of each board meeting to its members by newsletter, conspicuous posting, or any other reasonable means as determined by the board unless emergency circumstances otherwise require. Such notice is required for open meetings and closed meetings, and must state the date, time and place of the meeting. The board must also comply with any notice requirements set forth in its governing documents. If the purpose of the meeting is for a closed meeting only, or if the

closed portion of the meeting will be held prior to the open meeting, the notice must identify the paragraph(s) in the law that authorizes the board to close the meeting. For example, if the board plans to hold a closed meeting to discuss legal advice from its attorney, the notice must identify paragraph 1 of the law as the reason for the closed meeting. The board should review the reasons under the law for which the board can hold closed meetings to ensure compliance with the law in this area.

Note that the law allows the board to hold an emergency meeting without providing notice to discuss business or take action that cannot be delayed for the forty-eight hours required for notice. At that meeting, the board may act only on those emergency matters.

Open Board Meetings

For open board meetings, all members or their representatives designated in writing must be allowed to attend the meeting and be permitted to speak at an appropriate time during the deliberations and proceedings. The board may place reasonable time restrictions

on those persons speaking during the meeting but must permit a member or a member's designated representative to speak once after the board has discussed a specific agenda item but before the board takes formal action on that item in addition to any other opportunities to speak.

Additionally, the board must allow persons attending open board meetings to audiotape or videotape the meeting unless the board audiotapes or videotapes the meeting and makes the unedited audiotapes or videotapes available to members on request without restriction on its use as evidence in any dispute resolution process. Assuming the board is not performing the audiotaping or videotaping (as identified in the prior sentence), then the board may adopt reasonable rules governing the audiotaping or videotaping of open portions of the meeting but the board may not require advance notice of the audiotaping or videotaping. The board also is required to have an agenda of the meeting available to all members attending the meeting.

Whenever the board is considering association business, the board needs to keep in mind that, any time a quorum of the board meets informally to discuss association business, the board is required to comply with the open meeting and notice requirements of the law whether or not the board votes or takes any action on any matter at that meeting.

Overall, when boards are meeting, they should keep in mind the policy of the state, which is that all meetings be conducted openly in accordance with the requirements set forth above. To that end, board members are to keep this policy in mind and, when interpreting the provisions of the law, construe them in favor of open meetings.

To review the complete text of these requirements, please see A.R.S. §33-1248 and §33-1804.

Lynn Krupnik is a partner with the law firm of Krupnik & Speas, PLLC. She has been representing community associations since 1997. Lynn is a member of the CAI College of Community Association Lawyers ("CCAL"), is the co-chair for the CAI Legislative Action Committee, and speaks and writes often on topics that affect community associations.

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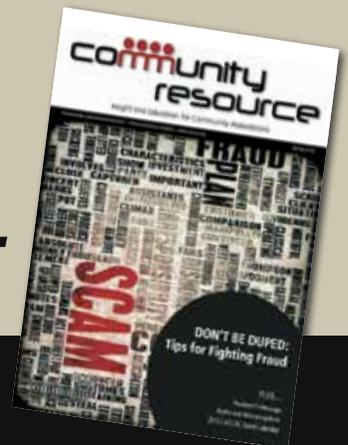
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Food Can Be a Good Ice Breaker

By Marshall Reichert

There are so many ways to bring members of a community together especially with the arrival of summer. Summer season brings year-round members out of their homes to enjoy the sense of fellowship needed to survive the warm weather. As the Director of Food and Beverage for Sun Lakes HOA #2 Cottonwood and Palo Verde Country Club Restaurants, I find the answer to promoting a community environment is through food and beverage special events.

These special events open an avenue to marketing the club's services and showcasing what the facilities are able to present for its members. They also provide members with opportunities to mix and mingle and simply enjoy their club. I take the approach with our events to make it known that we are the "fun place" to come, and by doing so it is amazing how the growth in member participation expands year after year.

Homeowners can be brought together by any themed event due to their vast backgrounds in the community. Events we hold on a monthly basis range from Wine and Food Pairings, Chocolate Dipped Strawberry Classes, Country Nights, Team Trivia, Crab Fest, Family Fun Days, and our biggest event of the year: Celebration of Golf, that brings in over 475 attendees. These events are used to introduce members to other homeowners in the community, creating long lasting relationships in and outside our facilities.

The events we provide build family like bonds between the staff and homeowners creating special relationships for a lifetime. Their happiness is at the heart of what we do.

Marshall Reichert, Food and Beverage Director Sun Lakes HOA #2, Cottonwood and Palo Verde Country Clubs



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Attorneys

Augustus H. Shaw IV, Esq., CCAL
Member, Board of Governors,
College of Community Association Lawyers
ashaw@shawlines.com

Mark E. Lines, Esq., CCAL
Member, College of Community
Association Lawyers
mlines@shawlines.com

Nicole D. Payne, Esq.
npayne@shawlines.com



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- *Jane Powers*
- *Joelle Hadley*
- *Special Session lead by Christi Wells*

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BURGSIMPSON

Peace of mind and security are key elements in making any house feel like home. It's hard to have either if you are struggling with leaks, cracks, flooding, or other construction problems. One of the best steps any community or homeowner can take is to have the property inspected by a professional at turnover, whenever problems are identified, and before the statute of repose runs when the project is 8 years old (with possible bases for extension). Bug Simpson can help deliver the peace of mind and sense of security all homeowners desire by scheduling a free inspection by a licensed professional.

Carpenter Hazlewood, Delgado & Bolen, PLC

A unique way to bring homeowners together and foster community involvement is to create a special program for the mentoring of future board members. Mentoring is a practice that dates back centuries and research supports it is an exceptionally effective way to learn and develop new skills. The practice of mentoring has contributed to the success of countless companies of all shapes and sizes – and it can do the same for community associations.

Launching a mentoring program for future board members has many benefits. First, it creates another activity that the association can use to reach out to the community and get homeowners involved. Mentoring can be a great recruitment tool; appealing to those who seek guidance on developing leadership skills. Perhaps most importantly, a mentoring program allows for early training for future community leaders. Mentors can teach those interested in serving on the board of directors about critical concepts such as the duties of board members (good faith, duty of care, duty of loyalty, etc.), corporate formalities and procedure, and the general goals of the association.

DLC Resources

The lifestyle of a Community plays a direct role in the vision and plan of the common area landscape management. Whether it's preparing for a seasonal event or knowing that a group gathers in the park every Thursday morning, landscape plays a pivotal role in the lifestyle of a Community and the way residents gather. Understanding that lifestyle relationship is key understanding how we can shape our maintenance activities and long-term plans to promote the lifestyle vision of a community and ultimately increase peoples' satisfaction in their parks and open spaces. From watering times to plant selection, landscape can be so much more than just maintenance in community.

Maxwell & Morgan, PC

Many associations hold community events and use social media to interact with their residents. It is good practice for associations utilizing these activities to have a social media policy and use waiver forms for certain events.

Vial Fotheringham

Social gatherings, neighborhood events, activities, and education programs are all wonderful ways to build community and enhance the lifestyle of the residents. Many people choose to live in a community association specifically because of these opportunities and amenities.

However, while they can be an asset, community events, activities and amenities can also create potential legal hazards that must be properly navigated. Some possible issues include: (1) insurance coverage for different types of events and amenities; (2) liquor licensing in the event that alcohol is being served; (3) waivers of liability for participants in certain activities; and (4) rules and policies to govern resident conduct at events and while using amenities.

Each association should review these and other related topics with their counsel. Addressing potential issues upfront will help mitigate liability, keep the residents safe, and allow the association to focus on the fun!



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2017 CAI-CAC Event Calendar

JULY

11 CAI – Central Arizona Educational Lunch
Managing Those Millennials:
Speaker: Julie Adamen
Location: Hilton Phoenix Airport
2435 S. 47th St.
Phoenix

11 Chapter Board Meeting
Location: Hilton Phoenix Airport
2435 S. 47th St.
Phoenix

AUGUST

25 Community Managers Forum
Location: Dobson Ranch

SEPTEMBER

12 CAI – Central Arizona Educational Lunch
A Day in a Life of a Nerdy Community Manager
Speaker: Beth Z
Location: Hilton Phoenix Airport
2435 S. 47th St.
Phoenix

12 Chapter Board Meeting
Location: Hilton Phoenix Airport
2435 S. 47th St.
Phoenix

12-16 **Large-Scale Manager's Workshop**
Location: **Houston, TX**

OCTOBER

5 New Member Breakfast
Location: Metro Phoenix Bank
Sponsor: Metro Phoenix Bank

11-14 **CEO-MC Retreat**
Location: **Hard Rock Hotel San Diego
San Diego, CA**

20 CAI – Annual Golf Classic
Location: Arizona Grand Resort
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