



PERSPECTIVE

YOU ARE ON THE BOARD, NOW WHAT?

*IF YOU ARE SELF
MANAGED, MEANING
YOU DON'T HAVE A
LICENSED COMMU-
NITY MANAGER
HELPING YOU, HOW
WILL YOU EVER
KEEP OUT OF TROU-
BLE AND UP TO
DATE WITH THE
CHANGES IN THE
LAWS IN OUR STATE?*

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Even if you are managed by a licensed Community Manager, the following list is a good one for new Directors to read and research areas suggest.

Read your governing documents, ask yourself the following questions as you read. *(As you read your documents, make an index as you go along with a pad and pencil. It will help you find something in the future.):*

1. What is defined as common area (also check the plat maps and plans)?
2. What authority does the board have?
3. What committees are established by the govern documents? - Is there a committee charter that specifies the scope of work for each of the committees?
4. When is/are the required meetings of the association (your governing documents may be more often than statute)?
5. What are the insurance requirements of the association?
6. What are the insurance requirements of contractors to the association?
7. Are there any regulations or changes to the bylaws that have been made since you bought your home? ... Do you have a copy of those?
8. Have you read the "Fines" resolution? Is it current with new laws?
9. Have you read the "Collections" pol-

icy? Is it current with new laws?

10. When was the last time Fines and Collections policies were distributed to the association owners?

11. Read NRS116 and NAC 116 *(This is a requirement of each Board member to read and understand to their ability the laws and the governing documents within 90 days of his or her election. A statement saying that his has been done must be signed). A copy of this statement must be sent in with the annual registration. (See form on line at the NRED main site.)*

12. Ask your manager when you will have board training - Do you want your manager to help with the teaching or do you want an outside party? Get a listing of current industry provided seminars and those provided by the Ombudsman's Office.

13. Review your financials

14. What are the conditions of your financial statement and in return the financial position of your Nevada Corporation?

- ✦ Who is listed on the Bank Signature Cards?
- ✦ Who do your documents require to be on the Signature Cards? (SHALL)
- ✦ What is your delinquency rate?
- ✦ What does your collection policy say? (This document must be sent with the budget annually)

- ✦ What is the state of your reserves?
 - ✦ Is your money in solid interest bearing accounts/ money markets/stacked CDs?
 - ✦ Has there been any deferred maintenance?
 - ✦ Are there any maintenance issues that need to be addressed in your operational budget/reserve budgets?
 - ✦ What does your reserve study say is reserve maintenance and what is operational maintenance?
 - ✦ When was the last reserve study and when is the next one?
 - ✦ When was the last time you got comparative bids on (pool, landscape, streets, management.....etc, etc, etc.)?
 - ✦ What are the annual maintenance suggestions from your current providers?
 - ✦ Where have your largest maintenance dollars been spent? Is it unreasonable and should I investigate further?
 - ✦ What maintenance issues have been frequently reoccurring on the property inspection list by managers and service providers (not violation list)?
 - ✦ What maintenance issue(s) are reoccurring with enough frequency that you should consider a longer term solution?
 - ✦ Are you eligible for any water conservation funds from the Las Vegas Valley water district?
 - ✦ What are your governing documents requirements for major changes to landscape?
 - ✦ What is the status of your insurance plan?
 - ✦ Is your manager covered by Errors & Omissions, Fidelity – What does the management contract require that you cover them for?
 - ✦ Do you have Directors and Officers coverage? You do not want to serve without it. Does it cover appointed Directors? Does it cover spouses?
 - ✦ Is your general liability adequate?
 - ✦ When was the last on site inspection by your insurance agent? - What actions were suggested?
 - ✦ Do you have proof of insurance from every contractor who performs duties on your property showing you as an additional insured?
 - ✦ Consider having the insurance broker attend the next board meeting
 - ✦ Have you filed your taxes – Federal, State and County?
 - ✦ Have you paid your State of Nevada Business Tax? (Goes up to \$200 after 7-1-09)
 - ✦ Have you had an audit? If so, when was the last one done. (What were the auditor's comments in the Management Notes)? Nevada law changed in 2009
- See if it applies to us.
 - ✦ Is your registration current with the Secretary of State? Go to <http://sos.state.nv.us/corpsrch.asp> to check?
 - ✦ Is your registration current with the Ombudsman's Office? (702) 486-4480
 - ✦ Who are your service providers and what contact information do you need and what is the contact chain of command?
 - o Manager
 - o Landscaper
 - o Bank (what is your board's policy on checks and bill payment, do you pay utilities through electronic transfer (Best possible way to pay bills)? Does your association treasurer receive a copy of the bank statement at their home/place of business? Is there a written resolution or policy on what your manager may sign on your behalf?)
 - o Do you have an investment policy?
 - o Collection Agency (What is your written policy... now check and see if it has been uniformly applied to all cases)
 - o Insurance Company/Agent
 - o Attorney
 - o Registered Agent with the Secretary of State and are you current?
 - o Gate Company (is your gate equipped with a back up battery? When was the last time it was checked?)
 - o Pool tech
 - o Developer contact - yes you may be built out, but they will be a competent contact for resources and information to help you as your community matures.
- Review the social condition of community.**
- Do you have a newsletter? (Get one out regularly, that means you live there, you write it or contribute to it regularly. Can you sell advertising to offset the cost?)
- Do you have any social committees?
 - If so, what activities have been successful in the past?
 - What can you do cheap and with little initial participation?
 - oCommunity wide garage sale
 - oKid's bike parade
 - oBunny Egg Hunt

- o Country Craft fair
- o Bring your own bar-b-que and game night
- o Bunko
- o National Night Out

What activities can you promote to help your community?

- o Neighborhood watch – Critical in today’s economy
- o Neighbors helping Neighbors
- o Holiday can drive to help the less fortunate
- o Earth Day - Spring clean up contest
- o Holiday lighting contest
- o Flag Day Picnic

What are your board meetings like and what can you do to make them better?

- o Do you have a timed agenda?
- o Do you have comment cards? - Do you follow up on them?
- o Do you encourage volunteerism - do you recognize people who volunteer?
- o What are people asking for at your meetings - information, service? What have you done to empower them?

What are your resources and what support networks are in place?

- o Manager
- o Attorney
- o Insurance Agent
- o Accountant
- o Service Providers
- o Developer
- o Ombudsman's Classes
- o Reserve Provider
- o Industry Community Association classes
- o Painting Consultant – Can prepare paint standards for alterations to the units.

Worst things you can do!

- o Not ask questions!
- o Keep only your “agenda” items as your priority.
- o Assume you knows all the answers and know better than the experts!
- o Assume someone else on the board knows all the answers!

- o Stick your head in the sand and say none of this applies to us
- o Let someone bully you into ignoring your Fiduciary Duty as a member of the Board of Directors of a Nevada Non-profit corporation.

Best thing you can do!

- o Take all the ombudsman's classes about 3 times minimum (The overview is an excellent class to get you help.)
- o Ask questions
- o Play let's walk the "ethical edge" - identify that edge and stay far away from it.

When you make any serious decisions, picture yourself standing in front of the judge defending your decision. If you don’t feel stupid and it is in the best interest of the whole, it could be the right decision.

AFTER YOU HAVE READ ALL OF THIS AND YOUR DOCUMENTS, THE VERY BEST THING YOU CAN DO IS TO ASK EACH BOARD MEMBER TO SEND THE MANAGER, OR THE PRESIDENT, A LIST OF THE TOP 10 THINGS THAT EACH DIRECTOR WANTS TO ACCOMPLISH OVER THE NEXT YEAR.

TAKE THE LISTS RECEIVED AND MAKE A COMPILATION OF ALL OF THEM.

PUT “TOP 10 GOALS” ON THE NEXT AGENDA AND HAVE THE BOARD PICK THE TOP 10 THAT THEY FEEL ARE IMPORTANT TO ACCOMPLISH FOR THEIR NEVADA CORPORATION. IF YOU THINK IT WILL BE TOUGHTO GET AN AGREEMENT USE A BALLOT TYPE DOCUMENT TO RATE THE ITEMS 1 THROUGH 10 AND THEN DETERMINE WHICH ONES GET THE HIGHEST RANKINGS.

PICK YOUR TOP 10

AFTER EACH BOARD MEETING, REVIEW THIS LIST TO SEE WHERE YOU ARE IN ACCOMPLISHING THESE GOALS.

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Complete Community Association Legal Services

LET THE CLARK COUNTY NEIGHBORHOOD JUSTICE CENTER HELP YOU HELP YOUR OWNERS

Many times neighbors have unique problems matters in which one of the parties refuses to participate willingly. Association issues or authority to intervene. We want to let you know about a service provided by Clark County, which provides free mediation between neighbors or individuals. The service is called the Neighborhood Justice Center and can be reached at (702) 455-3898. They are located in Las Vegas and are open between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday.

Mediation is a process that assists disputing parties to resolve their differences and reach a mutually satisfactory agreement with the help of a trained, neutral third party.

The Center will not handles disputes where the problems are such that they can't be settled through negotiation, where matters involve violent activity or

Benefits of Using NJC

Some of the benefits of the Center are: Cost effective, faster than litigation, process is personalized, issues are discussed in depth, parties control the outcome rather than having a decision made for them and it is private and confidential.

The Association can only get involved in those issues for which it has authority in the governing documents and may tell you that they cannot help resolve a specific problem. Please consider contacting the Neighborhood Justice Center who will help you come to a resolution.