

OWASSO
Strong Neighborhood Initiative



Building a REAL Community
Starts with Your Participation

Neighborhood Leader Workshop #2
May 10, 2018

Insurance Coverage Your HOA Needs

- ❑ General Liability Policy
- ❑ Directors & Officers Policy



HOA Management Company Yes or No?



Why a Third Party

❑ **Support Organization for HOA Board**

- Board doesn't have necessary skills
- Barrier between Board and Homeowners
- Insured and bonded
- Execution arm for HOA Board
- Brings “Best Practice” techniques to HOA Board

❑ **Four Service Sections**

What to Consider When Hiring an HOA Management Company

HOA GOVERNING DOCUMENTS

Is there any explicit prohibition on hiring a management company to carry out the duties of the HOA?

REFERENCES

Contact current HOA clients being serviced by HOA Management company.

OTHER CONSIDERATIONS

Is the Management Company bonded for protection against fraud/dishonesty?

Do they have professional financial management software?

SCOPE of WORK:

- ❑ What is the scope of work required?
 - Board Support
 - Covenant Enforcement
 - Dues Billing & Collection
 - Vendor Management
 - Costs for Services

Basic Services

HOA Management Company

1. Finance Services
2. HOA-Neighbor Relations
3. Board Support
4. Covenants



Service Sections: 1 & 2

Finance Services

HOA-Neighbor Relations

□ Financial Management

- Deposits / Collections
- Expenditure payments / Delegation
- Books and Records
- Budgets
- Accounting
- Tax Returns
- Vendor Management

□ HOA / Neighbor Relations

- Communication
- Events
- Website / Social Media
- Periodic Newsletter

Service Sections: 3 & 4

BOARD SUPPORT - COVENANTS

❑ **BOARD SUPPORT**

- The Management Company should be available to attend a predetermined number of Board Meetings as well as the annual Home Owners Association meeting.
- Provide monthly financials and ensure all information is available to homeowners.
- Maintains fully auditable records for Board review.

❑ **HOA COVENANTS**

- Ensures all rules and policies are consistent and clearly defined.
- Counsels Board on consistent enforcement of Covenant Restrictions.
- Has a system in place to track Covenant violations and assess fees.



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Thank You!

