

Association Terminology

Property Manager

- Advise and provide administrative, managerial, and operational counsel to the association governing body
- Exhibit professionalism and loyalty to the principal (the Board)
- Exercise diligence in performing duties on the principal's behalf
- Account for financial activities covered by the Management Agreement
- Perform onsite property inspections
- Solicit and evaluate bids for association services
- Supervise maintenance activities and contractor performance
- Oversee and authorize payment for primary association services
- Know and abide Bylaws, recognizing the State agency that supervises the association

The Board of Directors

Each Landings association is a corporation and therefore a governing body that is required to oversee its business. The Board of Directors is elected by the association's owners, or as otherwise specified in their governing documents. The limitations and restrictions of the powers of the Board of Directors is outlined in each Association governing documents.

President

- Chief executive officer and leader of the association
- Presides at all meetings of the board and membership
- Executes legal documents on behalf of the association
- Sets meeting agendas and controls all meetings
- Represents the board before the residents
- May have nominating, if not appointment, responsibility for all committees

Vice President

- Performs all the duties of the president in his/her absence
- Typically shares some of the burden of the president regarding appearances, liaison, public hearings, etc.
- Usually assigned liaison responsibility to specific staff or contractors, and to specific committees

Secretary

- Prepares and distributes board and membership meeting agendas, minutes, and materials referred to in minutes
- Maintains minutes and records of all meetings

- Maintains all official records, including official correspondence, contracts, membership roster, etc.
- Receives, verifies, and maintains all proxies
- Attests, by signature, to the legitimacy of certain documents

Treasurer

- Works with the property manager, contractors, and committees to develop and submit annual operating budget for approval
- Maintains adequate records of all association financial transactions
- Maintains roster of disbursement of funds, as authorized
- Prepares period financial reports
- May arrange, subject to board approval, an independent audit of financial affairs

GOVERNING DOCUMENTS

- All documents that regulate the community life
- Documents may vary depending on type of Association (condominium or homeowners)
 - Florida Statute 718 for Condominiums and 720 for Homeowners
 - Declaration of Covenants
 - Bylaws
 - Rules and Regulations

Basic Condominium/Townhome Legal Documents

- **Florida Statutes**-permit the creation of condominium or homeowner form of ownership and prescribes the basis of determining ownership interest, rights and obligations of the owners, duties and powers of the association, and the process of dissolution of the association.
- **Articles of Incorporation**-creates the association as a corporation under state corporate statute and defines its membership and sets forth the process for creating the board of directors, voting procedures, etc.
- **Bylaws**-implements, in specific detail, the provisions of the Declaration and the Articles of Incorporation regarding the association operations, including delineation of the meeting process, election procedures, powers and duties, board meetings, committees, insurance requirements, rule-making and enforcement process

- **Rules and Regulations**-sets forth the operational powers or provisions and the use restrictions adopted by the association
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ACCOUNTING BASICS

- **Accrual Method of Accounting**-keeps track of all financial activities, including revenue as it is earned (as opposed to when it is received) and expenses as the obligation is incurred (as opposed to when it is paid). This makes possible a more accurate determination of the financial condition of the association at any point in time. Also, this is a better method for multi-year tracking of capital reserves credits and deficiencies. The primary disadvantage is the greater complexity and technical knowledge that is needed to maintain the records, understand the reports, etc.
- **Capital Reserves**-the Board has the obligation to repair and replace major capital facilities, buildings, and equipment of the association. The ideal method of providing for these future expenses is the establishment of a capital reserves system and budget to assure that such funds are available when needed. With knowledge that the future holds predictable major expenditures for repair and replacement of facilities and equipment, the association could begin the gradual accumulation of funds through a reserve account to meet all or a portion of that expense when it comes due.