



The Elite Insider

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How Mold Grows & Why: Prompt Removal Matters

Let's start at the beginning, with a brief discussion about how mold develops inside a building. In most homes, conditions are nearly ideal for mold to grow. Mold needs only three things to thrive: (1) an organic food source such as wood, paper, fabric, leather, wool, etc., (even dirt on inorganic materials has enough organic material to support mold growth); (2) an agreeable temperature range between 68° and 86° F, which is typical of most occupied buildings; and (3) sufficient moisture that can come from a plumbing leak, water damage from a storm (or even high humidity).

Of course, nearly every home has items #1 and #2. When you add the third, usually missing, ingredient, conditions are nearly ideal for mold to grow. Whether the

waters comes from major rain storms, a massive flood like those recently observed as close as Fayetteville, or from other pre-existing sources, remediation must be done quickly and correctly, or mold WILL grow.

When molds are found indoors, they can damage or destroy the structure, and they pose serious health concerns to persons living in that environment, especially those who are highly susceptible: the very young or the very old, persons with pre-existing respiratory ailments such as asthma or lung disease, persons who are already ill or are treating a chronic illness, etc. Department of Health officials state that, "Many, if not most, molds can produce potentially

harmful substances, whether it's allergens, mycotoxins, or other compounds. Hence, all indoor mold growth should be removed promptly, no matter what type(s) of mold is present or whether it can produce toxins."

www.health.state.mn.us/divs/eh/indoorair/mold/index.html

Of course the very best way to ensure that mold will not begin to grow is to contact restoration professionals. They can remediate the loss, or do an inspection to confirm that there are no lingering (mold-causing) problems in the home. Restoration professionals have a wide variety of professional tools and meters to evaluate a home quickly and thoroughly. If there are problem areas, they will be able to develop a plan for complete remediation and restoration of your property.

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AAMC

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Mon.-Thurs. 8:30-5:30

Friday 8:30-1:00

2014 Elite Awards

Has your Community done outstanding things for its homeowners? Do you have a Board member that constantly goes above and beyond service for your Community and for their neighbors? Are you thoroughly amazed at how much your Community has been able to accomplish?

We feel that our communities have excelled in many areas. The Elite team believes that you should be awarded for your

superiority. Therefore we created The Elite Awards. The Elite Awards will be awarded to the Community and to the Volunteer that illustrates the best in volunteerism and exceptional Community progress. It is almost time to submit your nomination for your Community or Best Volunteer!

Board members will be asked to complete our survey of questions nominating their Community and/or their amazing volunteer for outstanding performance, self-

lessness, and achievement. If selected by our panel of Association Management Professionals, the winning Community and Board Member/Volunteer will receive a gift card and named trophy. The winners will be announced at the 2014 Fall Festival held at the Elite Raleigh office.

We are so excited about giving back to those of you that absolutely are ELITE to us!

4 Steps to Remediate a Disaster



Your association has just suffered a major disaster, such as a fire, tornado, hurricane or water-damage claim. What should your homeowners' association (HOA) or condominium owners' association (COA) do now?

Remember, the HOAs insurance policy has duties in it that must be followed, as well as conditions the HOA must comply with. Your failure to follow these conditions could result in the claim not being covered in full, or possibly not at all. Here are the most important steps to take so your association has the best chance of receiving full payment from your insurance company:

- The policy states you must protect the property from further damage. As soon as possible, board up any broken windows, secure the doors, and put a tarp over the roof if there are holes in it. If you don't do this, and the property sustains additional damage, the insurance company may not pay for the additional damages.
- The insurance company will want to determine exactly what caused the damage. This is especially true for claims involving fire or water damage. It is important not to alter the scene until the insurance adjuster has arrived and performed a "cause and origin" investigation. This means that once you protect the property from further damage, you should leave the scene just as you found it until your insurance company advises you that it is okay to change it. The insurance company will examine the evidence to determine what caused the loss and whether there are other responsible parties for the damages that have been incurred.
- The insurance policy also states that the insurance company has the right to inspect the damaged property at any time. This means you should not perform repairs until the HOA and the insurance company agree in writing on the scope and cost of repairs. You should not

move forward and start repairs until everyone is in agreement on the work that will be done.

- If multiple units are affected, the unit owners will have to make arrangements to move all of their belongings out of their units so repairs can be made. The unit owners will need their own policies to cover their moving expenses because the HOA and COA policy will not cover moving costs. If the damage is significant, the owners will most likely have to live elsewhere while repairs are being conducted.

There are many other duties and conditions that your HOA must comply with after a disaster. Should a disaster strike your HOA, you may wish to consider retaining professionals to help you get through the maze of an insurance claim. Look for public insurance adjusters who are members of NAPIA, the National Association of Professional Insurance Adjusters.



Elite Happy Corner

Congratulations to Elite Management for becoming a BBB accredited business with an A+ rating.

Congratulations to Community Manager, Dana Taylor, on obtaining her Association Management Specialist (AMS) designation. Great job!

Calendar of Events and Office Closings

MAY

May 26th- Memorial Day All Offices Closed

JUNE

Board Member Education Seminar

June 9th– 6:00-8:-00 PM at the Providence Glen Condominium Clubhouse located right off I-40 in Chapel Hill, NC.

Come join us to review the important role of serving on the Board, how to review the financial statements, governing doc-

uments and review your community websites. Please contact Dawn Hatcher to register.

JULY

July 4th– 4th of July All Offices Closed

SEPTEMBER

September 1st- Labor Day All Offices Closed

NOVEMBER

November 27th and 28th- Thanksgiving All Offices Closed

DECEMBER

December 9th– Holiday Open House

December 24th, 25th and 26th– Christmas All Offices Closed

JANUARY 2015

January 1st 2015- New Year’s Day All Offices Closed



The buck stops with HOA boards, not management companies

By: Michael Hunter

Q: My homeowners’ association (HOA) employs a management company. When neighborhood issues arise, the management company representative tells us it is up to the HOA board of directors to solve the problems. I think that if our HOA board has to solve all the problems, we don’t need the management company. The management company is compensated for their services; the board isn’t. What is the management company’s responsibility?

A: In my May 2 column (<http://bit.ly/1o7yFtg>), I discussed whether a reader’s HOA should hire a management company. Understanding the roles of the management company and the board of directors is essential before deciding whether to hire a manager.

Running an HOA requires a variety of skills, and depending on the size of your community and the extent of your amenities, may require a major time commitment.

Someone has to prepare the annual operating and capital expense budget. The budget needs to be mailed to owners prior to the beginning of each year, and a meeting of the owners must be scheduled and held to vote on ratification of the budget.

Someone needs to handle the billing and collections of assessments, send late notices and take action for collection of delinquent assessments. Someone needs to negotiate and monitor vendor service contracts for landscaping, the pool, and so on.

Someone needs to determine the amount and type of insurance necessary to properly insure the HOA, its officers and directors, and the common elements.

Someone needs to make periodic inspections of homes and lots and respond to violations of the community’s restrictive covenants.

Someone needs to process and pay invoices from vendors, keep track of the bank accounts, invest the capital reserves and prepare periodic income/expense statements. Tax returns must also be filed each year.

Without a management company, all these tasks fall on the shoulders of the HOA’s board. Most management companies offer an a la carte menu of services.

Regardless of which tasks the board may assign to a management company, all critical decision-making authority regarding the operation of the HOA remains with the board of directors. The manager’s duty is simply to carry out the directives of the HOA board.

Your elected HOA board bears ultimate responsibility for the decisions made with respect to the operation of the HOA.

“What is the management company’s responsibility?”