

# APRA Advisor

**Association of Professional Reserve Analysts** is a nonprofit corporation established in 1995 by principals of America's leading reserve study companies. The purpose of APRA is to provide a forum to establish a common base of knowledge, standards of care and professionalism within the reserve study industry.

The **APRA Advisor** is a bimonthly publication designed to expand the understanding of reserve planning and increase awareness of **Professional Reserve Analysts**.

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## Fall Fix Up

Every fall, homeowner associations should exercise a series of preventive common area maintenance functions. For small HOAs or those with few common elements, the list will be short and easy to complete. For larger, more complex complexes, the list can be daunting. But, overlooking these things can have disastrous and expensive consequences. Here's a helpful checklist to kick start the process.

- Smoke Detectors** Change batteries for those that require them and check to make sure all are operating properly.
- Clean Carpets Upholstery, Draperies & Air Ducts.**

- Carpets should be cleaned at least once a year and more often if traffic demands it.
- Furniture upholstery and draperies of common areas should be inspected and cleaned if necessary or at least every two years.
- Common area air ducts in the hallway, clubhouse, etc. should be cleaned at least every three years to abate spores, dust and mold that trigger respiratory problems or allergies.

### **Heating System Maintenance**

- Forced Air Systems** Remove any flammables stored in the room since the fumes could be ignited by the furnace when it's fired up. Change the filters. Set the thermostat to heating mode and test the furnace to burn off the dust that collects over the summer and to ensure it is in working order. Consider hiring a heating professional to perform a maintenance check-up, including these steps:
  1. Inspect thermostat for proper operation.
  2. Inspect filter and change or clean as needed.
  3. Check all electrical components and controls.
  4. Oil motors as needed.
  6. Inspect heat exchanger for

possible cracks, which would introduce carbon monoxide into the living space.

7. Check air flow. If diminished, it may be necessary to clean the evaporator coil and ductwork.

8. Check air fuel mixture, where appropriate.

**Gas Burner System** Clean burners and ports, or have them professionally cleaned.

**Oil Burner System** Have a professionally serviced; lubricate fan and motor bearings.

**Heat Pump** Have a professional inspect wiring, belts and oil the moving parts.

**Hot Water System** Have a professional check shut-off valve for leaks and drain lower water cut-off per manufacturer's instructions. Lubricate pump and motor; bleed air from radiators or convectors.

**Oil Fired Boiler** Have professional perform annual maintenance including flue cleaning, a fuel-filter change, cleaning and adjustment of the jets.

**Door & Window Weatherstripping** Check the weather stripping around all doors and windows and replace it if necessary.

### **Fireplace & Chimneys**

- Arrange a professional chimney inspection of all chimneys as a fire safety precaution. Have those that need cleaning done at the owners' expense.
- Install chimney caps where missing and replace those that have rusted out to protect your chimney from water, debris and critters.

### **Storm Windows & Doors.**

- Inspect and replace cracked or broken glass. Repair frames; replace broken, worn, or missing hardware; tighten and lubricate door hinges and closers; check for broken or missing glazing.
- Consider installing thermopane windows to replace storm windows and improve energy efficiency.

**Garage Doors** Lubricate hinges, rollers, and tracks; tighten screws.

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### Parking Lots

- Arrange for sweeping.
- Have drains cleaned out.
- Repaint curbs.
- Repair deteriorated areas.

### Exterior Lighting

- Replace burned out bulbs for better security and night visibility.
- Reset exterior lighting clock to adjust for seasonal change or replace with photocell system.

### Water Heaters

- Every six months you should turn off the energy source and flush until clear of sediment.
- Inspect flue assembly (gas or oil heater); check for leaks and corrosion.

### Foundation

- In cold weather climates, close or plug foundation vent openings.
- Check and correct grade for proper drainage away from foundation.
- Repair cracks.

**Decks** Remove potted plants and removable carpet which can promote wood dryrot under wet conditions.

### Gutters & Downspouts

Clean gutters and downspouts and make sure they are running clear

### Landscaping

- Prune back trees or shrubs at least three feet from the siding and roof.
- Fertilize, thatch, aerate and reseed turf areas.

### Pipes

- Check for rust or white lime deposits that indicate leaking

- Install covers on outside hose bibs if danger of freeze is possible.
- If drain line blockage is common due to buildup or tree roots, perform a preventive flush or rooting to prevent back ups and flooding.

### Roof-Shingled

- Check for warping, aging, moss and cracking; Repair or replace as needed.
- Inspect and repair flashing around chimneys, skylights and vents.

### Roof-Flat

- Sweep to remove debris; clear all drains and scuppers.
- Inspect and repair separated roofing seams
- Inspect and repair parapet wall caps.
- Inspect and repair vent and pipe flashing

**Siding** Inspect siding (especially on the sun and weather sides) for evidence of deterioration, including cracks, splintering, decay, and insect damage; clean, treat, recaulk and repair as needed.

• **Brick and stone:** Check joints between wood and masonry. Waterproof, repair or repoint if necessary.

• **Wood:** Look for peeling paint or splitting wood which is evidence that water is getting into the siding. Prime and repaint as needed.

• **Stucco:** A chalky residue is evidence of oxidation and deterioration of paint or color coat that reduces stucco's effectiveness. Check for cracks which allow water to get in around windows and doors. Hire a professional to correct the problem.

• **Trim:** Remove peeling paint on the trim and fascia boards, window sills and sashes; Prime and repaint as needed.

**Winter Preparations** Make sure your ice and snow removal equipment is in good repair. Buy snow melt product and place in accessible locations near steps and walkways for residents' use. Contract for future snow removal if appropriate.

A timely and well executed Fall Fix Up can go a long way to preventing unexpected failures of your building and grounds components. It will also ensure that your components get the longest life and reduce unnecessary expenses. Guess what? Fall is here and it's time to get busy! [APRA](#)



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## Ask the Professional Reserve Analyst

**Q** A couple of our six building condominium roofs are beginning to fail. We recently performed a reserve study and discovered we do not have enough in reserves to do all the roofs let alone the other components for which the HOA is responsible. In order to avoid a special assessment and/or increase in maintenance fee to catch-up, some directors are suggesting doing one building at a time. Another is suggesting we let the residents in each building pay for their own roof replacement. Do you have a good response?

**A** Replacing roofs one building at a time is usually a bad idea. It complicates the maintenance and warranty issues and provides some unit owners with an improvement that all do not enjoy. In addition, units with new roofs sell for more than those with old roofs so it creates a value disparity as well which will create a stage for conflict between members.

The HOA cannot circumvent its maintenance responsibility by passing it off to owners. Besides contradicting the governing documents, individual

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case). There will be a steady pressure to suppress reality to justify reducing fees. This is always detrimental to the asset values and livability of the community.

Have your Reserve Study done by a trained professional with both credentials and local references to prove capability. Having and following a good Reserve Study can dramatically increase asset values and marketability. Having none or a bad one is like an appendix: absolutely useless and one day may do you in.

**Q** Our planned community is new. Currently, we are revising the governing documents and having heated debates regarding fences, sheds and swing sets. Our ownership is mixed, some young families, middle aged professions without children and retired professionals. Some outspoken board members want total restrictions from these items. How do we create a compromise that will suit everyone?

**A** Unless there are architectural design restrictions against fences, play equipment and sheds on owner property already in the governing documents, the board has no authority to dictate other than what is placed in the common area. Owners are free to do as they please on their own property as long as it's legal and complies with local building code.

The related issues of noise, quality of installation and curb appeal that is harmonious with the prevailing colors and architecture are something the board can be involved with but not to the same degree as common area control. For example, if an owner decided to construct a fence out of used pallets, it would definitely degrade the area property values. The same could be said of play equipment if the kids were allowed to create havoc day and night. The board should enact reasonable standards for issues that impact value and livability. **APRA**

## Planning Calendar

This one page action plan assists the Board in organizing and completing association business effectively. It also advises owners and residents in advance so they can plan accordingly. Compile

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owners simply will not do it properly. If money is lacking, a special assessment is called for and the board has a fiduciary duty to move forward with it. And the reserve plan needs an adequate funding plan so this problem doesn't continue.

**Q** Our HOA is considering doing a reserve study. We have an owner who is a CPA that says he will do one for nothing. While free is a good price, what are the down sides of this arrangement?

**A** HOA members (regardless of profession) are rarely qualified to do reserve studies unless they have extensive construction estimating background and knowledge of HOA operations. A reserve study is meaningless if the numbers are not reality based. Homeowners typically do not have access to reliable construction cost information or contractors so end up guessing at or using off the cuff estimates given by contractors over the phone. Accurate reserve studies require site work by trained experts that know what they are looking at and what current costs are.

The issue of conflict of interest with a member generated reserve study is also a real one, especially if you have a membership pressing for lower homeowner fees (almost always the

one in conjunction with the Annual Budget to list cyclical maintenance events like gutter cleaning and window washing. Add time frames for major renovation like painting and roofing so residents can plan vacations around them. Schedule meetings and other events a year in advance so owners know when they can petition the board.

This kind of long range planning gives the members the feeling that someone is actually steering the ship rather than being keel hauled behind it. In also counteracts the notion that the Board is operating behind closed doors or in secret. Post the Event Calendar around the property, put it in your newsletters and on the association website. With a Planning Calendar, there are fewer surprises, more gets done and there will be greater harmony in the community. Here's a sample:

### JANUARY

8 Annual Homeowner Meeting  
10 Get proposals: roof replacement, pool replaster, treework  
11 Inspect decks  
15 Year End Financials to CPA  
20 Sweep parking lots

### FEBRUARY

13 Board of Directors Meeting  
~ Review roof, pool replaster proposals  
Newsletter

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### MARCH

File tax return by the 15th  
Annual fire extinguisher inspection

### APRIL

1 Maintenance Committee Inspection  
15 Pool replaster project begins  
Dewinterize Buildings  
Walkthrough with Landscaper  
Clean Clubhouse and stairwell carpets

### MAY

5 Work Party - Plant spring flowers  
12 Board of Directors Meeting  
25 Pool Opens  
Newsletter  
~ Send Pool Rules  
~ Announce Summer Social  
Clean gutters  
Wash windows  
Sweep parking lots

### JUNE

Roof replacement project begins  
Deck repair project begins

### JULY

15 Summer Social  
20 Treework begins

### AUGUST

15 Board of Directors Meeting  
~ Appoint Budget Committee  
Newsletter

### SEPTEMBER

10 Close Pool  
12 Chimney Inspections & Cleaning  
15 Budget Committee Meeting  
~ Review manager's draft budget  
~ Review insurance coverage  
~ Appoint Nominating Committee  
25 Wash windows

### OCTOBER

5 Work Party - Plant fall flowers  
Winterize Buildings  
15 Mail winterization notices  
22 Walkthrough with Landscape Contractor

### NOVEMBER

1 Grounds Committee Inspection  
22 Board of Directors Meeting  
~ Review & approve budget  
Newsletter  
~ Request Board Candidates  
~ Announce Christmas Party  
25 Mail budget & fee notice

### DECEMBER

5 Clubhouse Cleaning Party  
12 Christmas Party at Clubhouse  
15 Clean gutters

Questions? Call the manager at Phone  
222.222.2222. [APRA](#)

## Why Not Join APRA?

Membership in Association of Professional Reserve Analysts is extended to professional reserve study providers and service providers offering products and services to homeowner associations.

Why not join APRA to promote your interests? For more, see:

[www.apra-usa.com](http://www.apra-usa.com)

## Problem Prospering

"It is in the whole process of meeting and solving problems that life has meaning. Problems are the cutting edge that distinguishes between success and failure. Problems call forth our courage and our wisdom; indeed they create our courage and our wisdom. It is only because of problems that we grow mentally and spiritually...It is through the pain of confronting and resolving problems that we learn. As Benjamin Franklin said, "things that hurt, instruct."

Fearing the pain involved, almost all of us attempt to avoid problems. We procrastinate, forget them, pretend they do not exist....This tendency to avoid problems and the emotional suffering inherent in them is the primary basis for all human mental illness." (The Road

Less Traveled by Scott Peck).

The tragedy is that the substitute itself ultimately becomes more painful than the legitimate suffering it was trying to avoid. And the avoidance of legitimate suffering means we also avoid the growth that problems demand of us.

Do you have a problem? Several dozen? If you listen to the voices around you, you'll search for an escape route. If you make that choice, you'll miss an opportunity to stretch and grow. Meet your problems head on and watch your life gain meaning and prosperity.

*From "Growing Strong in the Seasons of Life" by Charles R. Swindoll [APRA](#)*

## Three Envelopes

A fellow had just been hired as the new CEO of a large corporation. The CEO who was stepping down met with him privately and presented him with three numbered envelopes. "Open these if you run up against a problem you can't solve"

Things went along smoothly, but six months later, sales took a downturn and he was really catching a lot of heat. About at his wit's end, he remembered the envelopes. He went to his drawer and took out the first envelope. The message read, "Blame your predecessor." The new CEO called a press conference and tactfully laid the blame on the previous CEO. Satisfied with his comments, the press -- and Wall Street -- responded positively, sales began to pick up and the problem was soon behind him.

About a year later, the company was again experiencing a slight dip in sales, combined with serious product problems. Having learned from his previous experience, the CEO quickly opened the second envelope. The message read, "Reorganize." This he did by laying off 20% of the workforce and the company quickly rebounded.

After several consecutive profitable quarters, the company once again fell on difficult times. The CEO went to his office, closed the door and opened the third envelope. The message said, "Prepare three envelopes." [APRA](#)