

# Habitat

1. What does a new board member need to know:  
New board members need to appreciate that they are learning a new business. Every business has a learning curve with many nuances. It is a wise person who acknowledges what they do not know and are willing to learn. I would be at a loss to start a new business without any prior experience and without first learning everything I can about the business. Having a mentor is invaluable.

2. Actual examples:

Example 1 - A community member runs for election on the basis that the current board was wrong to raise maintenance, implement a special assessment, or secure financing for a major project. The board is portrayed as not acting in the best interest of the community. Community members may believe the portrayal without fact checking and a new board member is elected.

The new board member becomes familiar with the budget, operating expenses, and capital improvement requirements. The reality sinks in that increasing the maintenance, implementing a special assessment, and/or securing financing was necessary and prudent. The new board member realized he has met the enemy and it is himself.

Example 2 - A board member asked to meet to discuss what would be involved for his property to transition to self-management. However, it is not

self-management he was seeking since he wanted to get paid for his services. He has been working in another field and had no experience working as a professional property manager.

He is informed about the need for workers comp, liability, and theft insurance. These costs alone could be greater than the compensation he receives for the management of a small property. He has to develop billing, collections, and accounts payable policies and procedures. He has to establish credit with professionals, vendors and contractors to service the property. He has to be available 24/7 for emergencies. These requirements are only the tip of the iceberg. The board member left the meeting with many things to think about.

### 3. Bringing it home:

Even with over 30 years in the industry, I experience and learn something new every week. Humility goes a long way in every event we face in life. We cannot master all there is to learn in the world but to know one's Self is to be a master of our inner being to meet every challenge that comes our way.