

## **Condo Insights – End of Season Performance Evaluation**

Labor Day, the traditional end of summer is the appropriate time for your shore condo association board to evaluate the overall performance of your association, the building and service providers.

Did your association, members, residents, and guests have a good summer? What was good, what could be improved and what was bad?

Start with the exterior. Was the property and grounds kept clean? Does it look like someone has pride in its appearance? Are the building vertical surfaces (walls), balcony edges, floor lines, ground level sidewalks and parking areas clean and well-maintained? If not, is it a matter of simple day-to-day cleaning, minor maintenance, or is more involved repair work necessary? If major work is needed, has it already been planned for the off-season?

Evaluate the landscaping. What is the overall impression of your landscaping? Do the grounds look tidy including grass areas, mulch beds, shrubs, and seasonal plantings? Were the landscape beds free from weeds and was the irrigation system adequate to maintain the landscaping during the hot, dry weeks of summer? Did the landscaper meet expectations, are your expectations realistic, or does the contract need to be revised? A significant portion of landscaping expense is labor. Be reasonable and realistic in your budget allowances, especially considering the current shore labor market.

Does your association have a swimming pool? Was the pool cleaned on a regular schedule? Was the water quality good, was the pool deck clean, did the pool pass the county inspection and did the hours of operation meet resident expectations?

Do you have a contract for property management service, property maintenance and custodial services, or for other administrative and accounting services? If so, are the contractual obligations being satisfied? Does the manager respond in a timely manner and offer suggestions to make things better? Does the manager communicate and get along with members? Is the manager proactive or merely following orders?

Were there any new ideas or suggestions, such as surveillance cameras, interior or exterior renovations or anything clearing in need of repair or replacement?

How did your association perform compared to budget? Are your expenses in line with forecast, or did something cause a significant variance? Is so, was it controllable?

Did the residents respect the rules and were they generally respectful of other residents?

Did the essential operating systems function as expected? Another way to say that was did any major equipment break down. Property maintenance staff should monitor essential equipment daily. Did common HVAC systems function as expected? Did the elevator operate properly all summer? Were the fire alarm and suppression systems silent or were there troubles with the system? Did the domestic water pumps function? The performance of these essential systems and equipment are one way to evaluate the effectiveness of your service contractors.

Board members should review service contracts to confirm service contractors are meeting their contractual obligations. However, while the written service contract may spell out the service schedule, its not so easy to determine the effectiveness of that service. Essential equipment has an expected useful service life. Once a piece of equipment has passed 50% of expected service life, consider retaining a field consultant, expert or engineering firm to evaluate the performance of essential equipment, review the service contract and evaluate the performance of the service contractor and effectiveness of the service performed to date. A consultant may identify gaps in service, engage the service company to improve service and improve operating efficiency and maximum service life of essential equipment.

The perception that smaller associations have less to do compared to larger associations is just not accurate. The tasks involved with association management include routine financial duties, regular and

annual administrative requirements including insurance coverage, maintaining, and operating the physical property, and long term deferred maintenance planning and asset replacement. These tasks require time commitments, effort, and knowledge. The tasks remain the same for all associations. The amount of work and time involved will vary but in its simplest terms, associations with more members will require more time and effort.

The Board is ultimately responsible for the building and to ensure the community's needs are being taken care of. If you are a board member, did you spend more, less or the same amount of time this summer compared to previous seasons? The end of season is an appropriate time to evaluate performance. It's important to have all the information you need to properly evaluate your association.

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