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DECODING WATER DAMAGE RESTORATION

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PRESIDENT'S MESSAGE



CAI-WI Members,

As I reflect on the past year, and my two years serving as President of the CAI Wisconsin Chapter, I am filled with gratitude. It has truly been an honor to serve an organization that is so deeply committed to education, advocacy, and strengthening community associations across our state.

This past year was marked by meaningful progress, strong collaboration, and continued growth. From educational programs and networking events to legislative advocacy and volunteer engagement, our chapter remained focused on providing value to our members while adapting to the evolving challenges facing community associations. None of this would have been possible without the dedication of our Board, committees, volunteers, sponsors, and members. Your time, passion, and willingness to step up continue to be the heartbeat of this chapter.

Serving as President for the past two years has been a privilege I do not take lightly. I am incredibly proud of what we have accomplished together and grateful for the relationships built along the way. CAI Wisconsin is a special community, and it has been a pleasure to represent this chapter and work alongside so many talented professionals who care deeply about the work we do.

As I hand the torch to our incoming President, Larry Robe, I do so with great confidence. Larry's leadership, experience, and commitment to CAI make him exceptionally well suited for this role. There is no doubt that he will do a fantastic job guiding the chapter forward, building on our momentum, and continuing to serve our members with integrity and vision.

Thank you for the trust you placed in me over the past two years. I look forward to continuing to support CAI Wisconsin and watching the chapter thrive under Larry's leadership in the year ahead.

Sincerely,

Erica Joyce

CIC, CIRMS, AAI, AIS

CAI-WI President



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TIS THE SEASON...

by Myles Philipp, CPA, Cantey Associates



Tax season that is. While not as celebrated as the holidays, tax season still comes year after year. While *filing* taxes has been the norm for all Association's since inception, paying taxes is a new norm some Associations are beginning to experience year after year. Because of this, questions are being asked to understand why for some tax season is bringing an unexpected cost. So, in the spirit of the holidays, below are the 12 facts of tax season.

1. Associations are unique in that at year end as long as they meet the filing requirements, they have a choice of which Form to file for their year-end federal tax returns. Associations can either file Form 1120-H, a form specific to HOAs, or Form 1120, the standard form for corporations.
2. To file Form 1120-H with the IRS Association's must pass three tests. The first test is the substantially residential test. Substantially, all of the units must be held for residential purposes, for Condominium Associations, which means 85% of the square footage of all of the units must be used for residential purposes and for Homeowner's Associations 85% of the lots must be zoned for residential use. The second test is the 60% income test. At least 60% of the Association's gross income for the tax year must consist of exempt function income. The third test is the 90% expenditure test. At least 90% of the Association's expenses for the tax year must be for the purpose of carrying on one or more of the exempt functions of a condominium or homeowners' association.
3. Associations that file Form 1120-H are not taxed on certain exempt function income. For income to qualify as exempt function income, income must meet the following four tests. The first test is the source test, exempt function income must be received as membership dues, fees, or assessments from owners of residential units, residential lots, or rights to use or ownership interest in association property. The second test is the nature test; amounts received from members must be paid solely as a result of membership in the Association. The third test is the purpose test, amounts received must be used for qualified purposes. The fourth test is the gross income test, the gross income test excludes from exempt function income any amounts that the tax rules exclude from gross income.
4. Associations that file Form 1120-H are allowed certain deductions that can reduce the tax liability of the Association. Deductions can include expenses attributable solely to the taxable income and other expenses that are directly connected. It is important that Associations review and consider the appropriateness of deductions each year.
5. Once an Association has elected to file Form 1120-H, it is considered binding, the election for a previously filed 1120-H may not be revoked without the consent of the IRS. It is important for an Association to strongly consider the choice between filing Form 1120 or Form 1120-H because it is binding and could impact the tax liability for the year and impact future year tax returns.
6. Associations who receive lump sum payments will be taxed on the entirety of the lump sum regardless of the payments being returnable upon the happening of some specific event over a period of time. Per the IRS, payments received in advance are usually income to an accrual-basis taxpayer as well as to a cash-basis taxpayer in the year of receipt, if there is no restriction on the use of such payments.
7. Associations are taxed as corporations and are not tax exempt unless they qualify for exemption from federal income tax under IRC 501(c)(4) or 501(c)(7). Associations must file for exemption with the IRS and receive official recognition. Specifically, under IRC 501(c)(4) a homeowners' association must operate for the benefit of the general public, i.e., it must provide a community benefit. A homeowners' association whose primary function is to own and maintain certain recreational areas and facilities may elect exemption as a social club under IRC 501(c)(7).
8. Associations who file Form 1120, may defer tax on net membership income for one year using Revenue Ruling 70-604. This allows Associations to remove any excess membership assessments from taxable income by effectively refunding the excess assessments to the members. The 70-604 election should be made by the members and be made before the tax return is filed.

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TIS THE SEASON... CONTINUED

9. Associations who file Form 1120-H are taxed at a 30% flat tax rate, while Associations who file Form 1120 are taxed at a 21% flat tax rate. While Associations are taxed a lower tax rate while filing Form 1120, filing Form 1120 could potentially increase the tax liability. It is recommended that Associations discuss with their CPA the benefits and risks of both forms before making a decision on what tax return to file.
10. Associations' tax returns are due 3 ½ months after their year-end. For December 31 year-end filers, would have a deadline of April 15, unless a federal holiday or weekend moves the date back. Associations may file for tax extensions, which would extend the due date 6 months. While a tax extension extends the due date of the tax return, it does not extend the due date of any tax owed by the Association, which should still be made by the 3 ½ month deadline after year-end.
11. Associations may e-file their federal tax return. Starting in 2025, form 1120-H may be e-filed with the IRS. Form 1120 was previously allowed to be e-filed with the IRS. Associations should discuss with their CPA if e-filing would be a good fit and what steps are needed for the tax returns to be e-filed.
12. The State of Wisconsin has their own unique filing requirements for Associations. Per the Wisconsin department of revenue website, for State tax purposes, a homeowners association is either exempt from taxation under Sec. 71.26(1)(a), Wis. Stats., or taxed as a regular corporation. A homeowners association exempt from taxation under Sec. 71.26(1)(a), Wis. Stats., (1) is not organized or conducted for pecuniary profit except for the unrelated business income as defined in Sec. 512, IRC (2) does not have a filing requirement if UBTI is less than \$1,000 (3) files form 4T if UBTI is \$1,000 or greater. A homeowners association is taxed as a regular corporation (1) is organized or operated for pecuniary profit except for UBTI as defined in Sec. 512, IRC (2) is required to file a Wisconsin Form 4. We recommend that Associations discuss with their CPA if they are exempt from State tax filing.

Hopefully these 12 facts of tax season make tax season seem a little less daunting this upcoming year. As always, it is important for the Association to make sure they are working with their CPA to make sure their tax filings are being completed on-time and accurately each year.

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DECODING WATER DAMAGE RESTORATION: ESSENTIALS FOR COMMUNITY ASSOCIATION RESIDENTS

by Lynn Rabeor, SERVPRO-Team Cowell

Experiencing significant water damage in your home or community association is stressful and initial cleanup attempts often prove insufficient due to the extent of the loss or water contamination, requiring professional assistance. The unfamiliar process, terminology and equipment can be overwhelming but it is all a part of a scientific, methodical approach designed to protect occupants and safeguard your condominium's structural integrity. Understanding these fundamentals helps reduce stress and prepares you and your Association for future events.



Industry Standards

The restoration process is guided by the Institute of Inspection, Cleaning and Restoration Certification (IICRC), the industry's gold standard. Certified technicians adhere to the detailed professional standards outlined in the ANSI/IICRC S500-2021 on every water loss project.

Time is Critical:

Time is the single most crucial factor when dealing with water damage. Deterioration and microbial contamination (like mold and mildew) accelerates rapidly. Delayed mitigation dramatically escalates the consequences:

- **Minutes:** Porous materials (walls, upholstery) become saturated.
- **Within 24 Hours:** Irreversible damage begins (drywall swelling, structural compromise); a musty odor may be noticed.
- **After 48 Hours:** Metal objects begin to rust, wood warps/buckles, and mold/mildew growth becomes visible.
- **Weeks:** Permanent structural damage, pervasive odors, and irreversible staining occur, often requiring full replacement.

Rapid action is crucial because it:

- Limits or stops secondary damage (warping floors, microbial growth, delamination, rust stains).
- Increases the chance of preserving structural materials and irreplaceable or historic items.
- Lowers the overall cost and complexity of the project.

Defining the Loss: Class and Category:

Restoration professionals first determine the **Class** (the initial amount of water and anticipated evaporation rate) and the **Category** (type of contamination) of the water loss, which guides the necessary scope of work and safety procedures. Without identifying these two vital components you may unknowingly spread contaminants in the process of removing belongings or be exposed to hazardous materials.

Class of Water Damage (Amount of Water):

- **Class 1:** Least amount of water; minimal absorption, less than 5% of a room's porous surface area.
- **Class 2:** Large amount of water; water wicked up walls less than 24 inches, usually affecting the entire carpet/pad.
- **Class 3:** Greatest amount of water; often from overhead, wicked up walls greater than 24 inches, affecting over 40% of the porous surface.
- **Class 4:** Requires specialty, aggressive drying for materials with very low permeance (hardwood, plaster, concrete).

Continued on page 15

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Category of Water Damage (Contamination Level):

- **Category 1 (Clean Water):** Sanitary source (broken pipe, water heater leak). Easiest to restore, but can quickly deteriorate to Category 2 or 3 if delayed.
- **Category 2 (Gray Water):** Contains significant contamination and potentially unsafe microorganisms which can cause discomfort or sickness if consumed or contacted (sewer pump failure, washing machine overflow).
- **Category 3 (Black Water):** Grossly contaminated water posing serious health risks (sewage backup, flood water from outside). Porous materials affected by Category 3 must be discarded per IICRC protocol.



Key Principles of Restoration:

The restoration process includes five key principles:

- 1. Health and Safety:** Ensuring the health and safety of restoration workers and building occupants/pets is paramount.
- 2. Inspection and Documentation:** Using specialized detection equipment helps to determine the full scope of water intrusion and damage.
 - **Moisture Meters:** Measure the moisture content of various materials.
 - **Thermo-Hygrometers:** Measure temperature and relative humidity to track atmospheric conditions and assess how the structure is responding to drying.
 - **Thermal-Imaging Cameras:** Identify water migration, revealing hidden pockets of moisture trapped behind surfaces.
 - **Video Borescopes:** Allow for non-invasive inspection of hard-to-see locations, such as inside wall cavities.
- 3. Mitigation:** Preventing further damage by:
 - Stopping the water.
 - Addressing safety concerns.
 - Immediately extracting standing water.
 - Protecting contents/structure.
 - Opening up the building so air can reach hidden saturated materials (flood cuts).
 - Installing drying equipment.
- 4. Drying:** Utilizing these five core components with the goal to clean and dry affected areas and minimize the time materials are wet:
 - **Extraction:** Timely and thorough water extraction is the single biggest factor in reducing overall dry times.
 - **Air Movement:** Air movers are essential to promote rapid evaporation of moisture from damaged areas and they can be positioned to create a vortex of circular airflow around the walls.
 - **Evaporation & Dehumidification:** Effective drying is a controlled combination of evaporation (moisture leaving the material) and dehumidification (removing water vapor from the air).
 - **Temperature:** Controlling the temperature (ideally around 70°F) is key to optimizing the dew point and evaporation rate.
- 5. Ongoing Monitoring:** Inspecting regularly to measure air conditions and material moisture content provides readings that are used to produce:
 - **Psychrometric Log** (Class, temperature, humidity).
 - **Moisture Map** (diagram showing affected areas, water line, and equipment layout).

This documentation validates that the drying goals have been met (the return of all materials to pre-loss Moisture Content) and assists in insurance claims processing.

Conclusion:

Understanding the fundamentals of water damage restoration gives unit owners and community associations a sense of clarity and control during an otherwise stressful time. Knowing that certified technicians follow proven IICRC protocols and respond quickly, you can feel confident of a complete and successful recovery, protecting your health, home, and community.

Lynn Rabeor is a seasoned leader with diverse experience in the Restoration, Insurance, and Property Claim industries. She is a Business Development Executive at SERVPRO-Team Cowell and can be reached at lrabeor@servproteamcowell.com

THE RISING COST OF INACTION: HOW INDUSTRY TRENDS ARE ELEVATING CAPITAL PLANNING

by Todd Walters, Reserve Advisors



Much like business leaders, HOA boards manage financial resources and make strategic decisions that both preserve and enhance the community's value. With personal budgets wearing thin, every decision is under greater scrutiny, from increases in dues to the timing of capital projects. While temporarily limiting assessment increases or delaying projects may seem like a low-risk way to support residents in the short term, the potential consequences can be far more significant. As a matter of fact, underfunding reserves or deferred maintenance often signals increased risk to insurance providers and mortgage lenders.

Industry Trends are Elevating Reserve Planning

Following the Surfside tragedy, the reserve study landscape has rapidly evolved. From legislation to insurance and lending, the impact is far-reaching. The following states, for example, have passed legislation aimed at ensuring structural and resident safety.

1. Florida – Now requires reserve studies for buildings with three or more residential stories. These communities are also required to fund reserves at the level outlined in the reserve study, and older buildings must conduct periodic structural inspections.
2. Maryland – Signed into law in 2022, all condominiums, cooperatives, and certain homeowners' associations are required to conduct periodic reserve studies. These associations are also required to fund reserves at the level outlined in the reserve study.
3. New Jersey – Signed into law in 2024, condominiums, cooperatives, and certain homeowners' associations are required to conduct periodic reserve studies. They are also required to fund reserves at the level outlined in the reserve study.
4. Tennessee – Signed into law in 2023, unit owners' associations with \$10,000 or more in common assets are required to conduct periodic reserve studies. The law intends to inform the board of how much should be set aside in reserves to avoid future assessments. There are currently no statutory funding requirements.

Continued on page 17

Insurance Trends

Underwriting standards have evolved over the past several years as insurance providers mitigate risks associated with aging infrastructure. What was once a simple verification process is now a thorough review of structural conditions, maintenance history, and financial preparedness. Communities that are unable to demonstrate proactive planning risk greater premium increases, reduced coverage, or difficulty securing a renewal.

Key insurance trends that communities experience include:

- 1. More Detailed Inspection Requirements** – Rather than simply accepting that a reserve study exists, insurers regularly review recommended project timelines and whether structural projects have been completed. Any indication that a structural project is overdue, such as a roof replacement, inherently increases the carrier’s risk and likelihood of a future claim.
- 2. Condition-Based Premiums** – Historically, premiums were primarily reflective of the age of a property, building materials used, number of stories, and location. Today, maintenance history, known deferred projects, and the adequacy of reserve funds, which increase the carrier’s risk, are often reflected in premiums.
- 3. Stricter Underwriting Terms** – Increased risk is often associated with the terms of renewal. Associations that deviate from reserve funding or have a recent history of deferred maintenance are at greater risk of lower coverage limits, higher deductibles, risk-based exclusions, and, in the worst cases, denial of coverage.

Mortgage Trends

Shortly after the Surfside collapse, Fannie Mae and Freddie Mac released new guidelines for securing loans backed by government-sponsored enterprises. Meant to safeguard against safety and structural concerns, the new guidelines place greater emphasis on proper reserve funding, proactive maintenance, and periodic building inspections.

With roughly 70% of conventional loans backed by Fannie Mae or Freddie Mac, the market is highly dependent on traditional lending. When a loan is denied for a condo real estate transaction, the association is at risk of landing on a ‘do not lend’ list – meaning no buyers will qualify for a government-backed conventional loan until the association sufficiently addresses any issues at hand.

Key mortgage trends that communities experience include:

- 1. Stricter Reserve Requirements** – Lenders often require a recent reserve study and evidence or confirmation of proper reserve funding, which is outlined in the reserve study.
- 2. Increased Documentation Requests** – It is not uncommon to have to provide detailed maintenance and capital project records, and inspection reports as part of the loan approval process. Lenders often review reserve studies to assess the extent of structural deterioration and potential water infiltration. If project timelines deviate from the study, supporting documents that validate the board’s decision may be warranted to continue the loan review process.
- 3. Impact on Buyer Eligibility** – As lenders are hesitant to approve mortgages for condominiums that are deemed high risk, the pool of potential buyers shrinks, impacting residents’ ability to close on the sale of their home and potentially impacting property values.

Continued on page 18

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Addressing Insurance and Loan Eligibility Issues

It is becoming increasingly common for boards to address insurance and mortgage lender concerns. While, for good reason, the reality is that, oftentimes, management and the board can lean on their reserve study provider to clarify concerns about reserve funding and deferred maintenance.

In a recent case involving a Midwest-based condo association, the board was unable to complete a brick masonry repair project in 2025, the year in which their reserve study recommended it. Due to weather constraints, the project was scheduled for 2026 instead. A mortgage application was denied due to deferred maintenance. Upon validating the board's decision and confirming that there were no safety or structural concerns, the lender resumed the mortgage approval process.

Best Practices to Mitigate Risk

As industry expectations continue to rise, boards can position their communities for greater financial stability and resilience against external risks.

1. **Prioritize Structural and Safety-Related Projects** – Addressing high-risk projects, such as roofs, waterproofing systems, or structural concrete, demonstrates responsible stewardship and mitigates the risk of insurance and loan eligibility concerns.
2. **Maintain Adequate Reserve Funding and Keep Your Reserve Study Current** – Proper funding reduces the risk of future deferred maintenance and signals financial preparedness. Associations should update their reserve studies at least every 3 years, or sooner if funding levels change significantly or if major projects are deferred or completed.
3. **Leverage Your Reserve Study Partner for Clarity and Documentation** – When questions arise, oftentimes, your provider can discuss insurance and mortgage-related concerns and provide documentation to assist with renewal and loan processing – keeping the community's insurance renewals and real estate transactions on track.

Insurance and lending trends will continue to evolve, driving the industry toward a more resilient future. An increased focus on structural integrity and reserves supports a more proactive approach to address building deterioration when issues are minor, rather than waiting until they become more complex and more costly to address. Lastly, communities that take a disciplined approach to capital planning will be best positioned to maintain coverage at the most affordable rates, mitigate risks of loan eligibility, and support home values.

Todd Walters is the Great Lakes Regional Executive Director PE, PRA, RS at Reserve Advisors. Todd can be reached at todd@reserveadvisors.com.



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I have been involved in CAI for 11 years. Our officers joined shortly after the developer turned over the condos to the owners and our property manager encouraged us to join.

Why should someone join CAI?

Myself and our other officers had no experience with condos and since ours was a new development, the training in condo board management was extremely valuable to all of us. CAI seminars are regularly presented by experts on topics such as reserve studies and funds, budgeting, insurance, legal requirements and issues, handling owner issues, condo documents and rules, vendor contracting, running board meetings, etc. The seminars and various CAI publications provided me and others with an understanding

of our roles and offered practical advice. All board members need an awareness of effective governance and avoiding potential traps.

What advice would you offer another homeowner?

If you are a board member or contemplating being a board member, joining CAI is extremely beneficial. Participation in seminars and reading the various publications from CAI provides a valuable education in a wide variety of topics faced by a board. An effective board typically results in happy unit owners and stable if not increasing financial value of the condo property.

What do you do in your spare time?

After retiring, I bought a cabin in southwest Wisconsin as a place to enjoy the outdoors, hiking, biking, having family get-togethers, etc. I am also a licensed amateur radio (ham) operator which I do at my cabin.

Dan Merritt
 Homeowner



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WHY THE LOWEST BID ISN'T ALWAYS THE BEST CHOICE: SMARTER CONTRACTING FOR WISCONSIN ASSOCIATIONS

by Emily Foy, CMCA, AMS

When Boards review bids for snow removal, landscaping, roofing, painting, insurance, or any other essential service, it's completely natural for price to catch the eye first. Every Association is working within a budget, owners expect fiscal responsibility, and rising costs don't make the job any easier.

But more and more, we see that the old saying "you get what you pay for" really does hold true. The lowest bid might feel like a win in the moment, but it can lead to service issues, unexpected expenses, and frustration that ends up costing far more in the long run. Strong Boards understand that real value comes from reliability, experience, and quality...not just the cheapest number on a proposal.

The Real Cost of "Cheap" Contracting

1. Service Reliability and Quality

Contractors who submit the lowest bid aren't necessarily cutting corners—many operate efficiently, have leaner overhead, or are newer to the market and trying to build a client base. That said, a low price can sometimes indicate that a contractor may have limited staffing, older equipment, or tighter timelines, which can impact service consistency during high-demand periods like snow events or peak landscaping months. The key isn't to assume the lowest bid is problematic, but to understand why the price is lower and whether the contractor has the resources and track record to meet the Association's expectations.

2. Insurance and Risk Exposure

Cheaper contractors may carry limited insurance or no insurance at all, leaving the Association vulnerable to liability, lawsuits, and uncovered property damage.

The same principle applies to insurance providers: if your agent is not experienced in creating master insurance policies for condominium and homeowners' associations, you risk being underinsured, improperly classified, or missing critical coverage components. And if the premium seems unusually low, it may be a sign that something essential was left out of the policy rather than true savings. In Wisconsin's climate, where freeze-thaw cycles, winter hazards, and frequent storm-related claims are common, having the wrong insurance carrier or an inadequately structured policy can significantly increase financial exposure for both the Association and its owners.

3. Cutting Corners to Make the Price Work

Work like painting, roofing, asphalt, concrete, and HVAC relies on correct prep and adherence to industry standards. Low bidders may skip steps, use lower-grade materials, or send inexperienced crews. Things may look fine at first, but issues often surface quickly, sometimes within a year or two, leading to repeated repairs, denied warranties, and major replacement costs that wipe out any money left in general maintenance in the operating account and may require the Board to dip into the reserve to do a full replacement of a compromised component.

The Wisconsin Reality: Quality Costs Money—But It Saves Money Too

Wisconsin contractors face real challenges: unpredictable weather, high material costs, safety requirements, and demanding job conditions. Vendors who invest in trained staff, proper equipment, adequate insurance, and strong safety standards usually aren't the cheapest, but they're the ones who show up when it matters most.

This doesn't mean a competitive price automatically signals poor quality. Many excellent contractors run efficient operations and can offer fair or even lower pricing. But when hiring someone who hasn't worked at your property before, doing your homework is critical. Always check references, confirm experience with similar properties, and make sure they've proven their reliability before handing them a major responsibility.

Continued on page 23

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Trusted Contractors: Loyalty Has Real Value

Competitive bidding is always important, but so is recognizing when you already have a contractor who knows your property inside and out. A vendor who consistently delivers, communicates well, responds quickly, and understands your Association's needs is an asset.

In many cases, that loyalty and long-term knowledge saves the Association far more money, time, and stress than switching vendors just to shave a few dollars off a proposal. Sometimes the best contractor is the one who has already earned your trust.

Making Smart Decisions: Why RFPs Matter

Strong vendor selection isn't about going with whoever responds first or whichever proposal "sounds right." A well-structured Request for Proposal (RFP), created by the Board of Directors with the help of a certified Association Manager, clearly defines the expectations and requirements for the job.

Sending the same RFP to multiple vetted contractors allows the Board to ensure:

- True apples-to-apples comparison
- Clear expectations before any work begins
- Transparent and consistent pricing – Labor and Material breakdowns
- A fair evaluation of experience and their ability to staff the work for the fiscal year you require.
- Confirmation that the contractor meets Association and industry standards
- Clear options for corrections or contract termination if work falls short

This process protects the Board, establishes a defensible decision-making path, and reduces surprises during the project.

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What Boards Should Look For Beyond Price

When reviewing proposals, Boards should consider:

- Experience with Wisconsin HOA/condo properties and familiarity with CAI's industry standards
- Strong references from other Associations
- Communication and responsiveness
- Insurance levels appropriate for Association risk
- Staff and equipment resources
- Warranties and service guarantees
- Clarity in what's included—and what isn't

Boards should also keep in mind the value that the right management company brings to the contracting process. While Association Managers do not supervise contractors or monitor their work step-by-step, they do help the Board stay informed by checking in with contractors, tracking project status, coordinating communication, and conducting periodic site visits to confirm that work is progressing as expected. A strong management partner also helps interpret proposals, compare scopes, and connect the Board with reputable, vetted vendors who have proven experience in the industry.

Ultimately, the Board remains the final authority reviewing completed work, confirming that it aligns with the RFP or proposal, and deciding whether payment should be approved. A knowledgeable Manager simply supports that process, offering guidance and organization so the Board can make confident, well-informed decisions.

Conclusion: The Lowest Bid Isn't Always the Smartest Choice

Smart contracting isn't about spending more money...it's about spending it wisely. Here in Wisconsin, every Association deals with tough weather, complicated insurance needs, and long-term maintenance planning, so choosing partners you can truly count on makes all the difference. Reliability, clear communication, and genuine industry expertise matter far more than a low number on a bid sheet.

That goes beyond contractors. The right insurance agent helps ensure the community is properly protected, and a strong management company supports the Board by organizing proposals, communicating with vendors, checking in on project status, and making sure nothing falls through the cracks without stepping into the role of supervising the work. When these partners also understand CAI standards and how Associations are intended to operate, the Board benefits from clearer expectations, better documentation, and more consistent results. Together, focusing on value, experience, and CAI-aligned practices, not just the lowest price, sets the community up for fewer surprises, stronger financial planning, and a more predictable future.

In the end, the right contractor doesn't cost you more. The wrong one does.

Emily Foy, CMCA is a property manager with Elite Properties.

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