

What We Do and Why It's Important

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Every year brings new challenges and opportunities, not just for CAI, but also for the association model, individual communities, homeowner leaders, management professionals and their business partners. In a broad sense, CAI's mission is to provide the information, education and representation to help us achieve maximum success—individually and collectively.

By that standard, I believe CAI had an exceptional year. Importantly, few of our accomplishments would have been possible without the support and expertise of countless member volunteers—from our professional education faculty and legislative action committees to authors, speakers and committee members. Last, but certainly not least, all CAI members owe a debt of gratitude to the 15 dedicated members of the national Board of Trustees, the 40 leaders who serve on our membership representation groups and hundreds of dedicated chapter leaders.

All of these volunteers, along with national and chapter staff members, play an indispensable role in the 2015 record summarized below.

PROFESSIONAL EDUCATION

Thanks to our faculty, we offered 183 professional education courses throughout the country in 2015. Including online courses, more than 5,700 community managers took advantage of our world-class Professional Management Development Program. In addition to making themselves more valuable to their community association clients and management company employers, these professionals are building their knowledge, enhancing their careers and earning greater respect for themselves and the association management profession at large.

Beyond gaining greater knowledge and expertise, these managers earned 449 CAI designations in 2015, including 202 who earned the Professional Community Association Manager (PCAM) designation, the most prestigious and respected credential in the community association field. The number of professionals who have earned credentials continues to grow each year, with more than 2,660 managers earning the PCAM since the designation was created in 1982. Almost 100 of them have moved on to earn the Large-Scale Manager (LSM) credential.

The Association Management Special-

ist (AMS) designation was awarded to 339 managers in 2015, bringing the total to nearly 7,400 since 1990. The benefits of credentialing are not limited to managers. Almost 300 association management firms have earned the Accredited Association Management Company (AAMC) credential, while more than 300 professionals have earned the Reserve Specialist (RS) designation. More than 120 professionals have been awarded the Community Insurance and Risk Management Specialist (CIRMS) credential.

GOVERNMENT AFFAIRS

CAI is becoming an increasingly respected and effective voice for community associations, both in state capitals and Washington, D.C.

Every year, we see a wide array of legislative proposals designed to improve the community association model. Occasionally, they do just that, but a significant percentage of them are overreactions to anecdotal media reports that cast all associations in a negative light. While some of these articles are accurate for one particular association, the legislative measures they can stimulate frequently run counter to the best interests of associations and their members.

When that occurs—and it does all too often—our 35 state legislative action committees (LACs) go to work—analyzing

CAI Membership Milestones

1975	1,000
1983	5,000
1988	10,000
1996	15,000
2005	25,000
2010	30,000
2016	34,000...

the legislation, meeting with legislators, drafting alternative legislation, developing corrective amendments or lobbying to kill a bill altogether. That work is done by more than 400 LAC members—homeowners, managers, attorneys and other industry professionals. They tackle a wide variety of issues ranging from homeowner rights and assessment collection to priority lien, construction defects and resale disclosure fees. The result is often modified legislation or the preemption of damaging measures.

Most of our efforts in Washington, D.C., focus on key regulatory issues such as mortgage finance reform, condominium certification and disaster relief. With the active support of our 14-member Federal LAC, we've solidified our relationships with the Federal Housing Administration, the Department of Housing and Urban Development, the Federal Emergency Management Agency and other government agencies. We also monitor legislative proposals on Capitol Hill. In 2015, that included the CAI-supported extension of the Terrorism Risk Insurance Act and persistent efforts to ensure that Congress doesn't abolish the right of associations to enforce community guidelines on ham radio antennas and towers.

WHAT AND WHY

It's easy to summarize what we do, but it's important to understand why these achievements and initiatives matter.

MEMBERSHIP GROWTH



We continue to work in a variety of ways to increase awareness of CAI and build membership among homeowner leaders, community managers and other professionals. Now at

almost 34,000, membership increased nearly every month in 2015, thanks in large part to an annual retention rate of about 90 percent and new member growth of 2.5 percent. All told, membership has increased 18 percent over the past eight years.



It's important: Every new member makes CAI a more effective advocate for all members. As our membership grows, so too does our effectiveness in state capitals and Washington, D.C., where laws and regulations can either support or obstruct our efforts to build better communities. That's one very important reason why we continue to encourage our members to recruit their peers, clients and business partners.

CONTENT-RICH WEBSITE



We unveiled a new website featuring optimum usability on all devices, from desktops and laptops to tablets and smartphones. The navigation bar at the top of every page provides one-click access to key sections of the website. The website provides the same wealth of information and variety of tools and resources, but now it's easier than ever to find exactly what you need when you need it 24/7.



A Nice View from 30,000 Feet

CAI IS REALLY CRUISING NOW. New membership highs were reached almost every month during the most recent fiscal year. We're now approaching 34,000 members.

Our advocacy efforts have grown too, and they're bearing more and more fruit. Our state legislative action committees (LACs) continue to increase their influence, while our Federal LAC has greatly expanded its reach in Washington, D.C. We now have a seat at the table in all legislative and regulatory venues, with a voice that is increasingly respected and influential.

I'm pleased to report that we initiated our first mass-media advertising campaign—an initiative financed by a generous grant from the President's Club. Television and radio spots in two test markets, Las Vegas and Austin, Texas, generated positive reviews. CAI's chapters have now been supplied with the ads and are being encouraged to use them to increase awareness in their regions. To help move this initiative along, the Board of Trustees approved an FY 2015–16 budget that provides substantial funding to help our chapters purchase air time.

CAI's influence continues to grow internationally too—in South Africa, our first international chapter, and in Australia and the United Arab Emirates, where we continue to build our brand and spread our professional education program. In addition, housing leaders in Japan, Spain and South America have turned to CAI in the past year to get our perspective on the community association model.

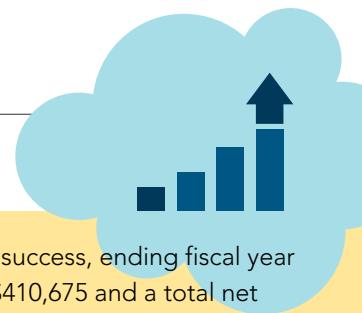
The view from 30,000 feet looks great, thanks especially to the support of engaged CAI members and dedicated national and chapter staff. There is never a shortage of good people willing to share their expertise and enthusiasm. That's just one of the reasons CAI is an exceptional organization.

I've been both humbled and honored to serve as CAI president in 2015, and I'm confident we will continue to improve, expand and test our limits year after year after year.

DAVID I. CAPLAN, CMCA, AMS, PCAM
2015 PRESIDENT



It's important: Americans increasingly rely on the Internet for answers, and that's especially true for those who work in the challenging business of community association management. That's why it's more important than ever—critical by any measure—to provide CAI members and other stakeholders with a content-rich and user-friendly website that includes the tools and resources they need to help them navigate today's issues and develop plans, policies and procedures that will sustain their communities in the future.



HOMEOWNER EDUCATION



We unveiled a new, comprehensive education course to help homeowner volunteer leaders better understand their roles, obligations and responsibilities. The Board Leadership Development Workshop, available online and in a classroom, is the premier learning tool for homeowners who accept the responsibility of governing their communities.



It's important: Nothing is more essential to community association success than knowledgeable and educated board members. While many boards rely on the expertise of association management companies and community managers, board members set policies and make decisions that will affect their communities for years to come. More broadly, educated board members are more likely to avoid missteps that give all community associations a black eye and generate negative media coverage that can lead to costly, counterproductive legislation.

ELEVATING AWARENESS



We tested television and radio advertising campaigns in Las Vegas and Austin, Texas, to promote responsible community governance and strong professional management. The three-week campaigns, supported by a grant from CAI's President's Club, featured 30-second radio and cable television advertisements in the Las Vegas market and radio spots in Austin. Both are considered excellent test markets. The spots directed viewers and listeners to a special landing page on the CAI website. The message is fundamental for anyone who owns a home in a common-interest community: Property values can be affected by the training, knowledge and skills of the homeowner volunteers and professionals who govern and manage associations.



It's important: CAI is the single most credible resource not just for community managers and board members but also for the tens of millions of Americans who make their homes in associations. We want to increase awareness of CAI, but a national advertising campaign isn't feasible. We advertised in these test markets to find out if our message would resonate with homeowners. It does! With this information in hand, we're budgeting additional funds to conduct similar campaigns in other markets, inviting CAI chapters to support this effort in their regions of influence.

LEARNING AND NETWORKING



CAI national held four major events in 2015—the Annual Conference and Exposition, Community Association Law Seminar, the CEO-MC Retreat for management company executives and the Large-Scale Managers Workshop. Participation at these events surpassed 2,300. For their part, our 60 chap-

FY2015

CAI continues its trend of financial success, ending fiscal year 2015 with an operating surplus of \$410,675 and a total net surplus of \$236,541, which includes \$174,134 of realized and unrealized losses on investments. This marks the sixth consecutive year of positive results.

Total revenue of \$12,950,709 was about \$600,000 higher than the prior year, and the highest since CAI's founding in 1973. Total expenses of \$12,540,034 increased by 5.7 percent from FY2014, as variable program costs generally conformed to revenue (7.1 percent increase) and administrative costs were relatively flat (1.1 percent increase). Based on these financial results, we have increased our net assets from a negative position six years ago to almost \$2.6 million.

CAI's FY2015 audited financial statements received an unqualified ("clean") opinion by CAI's independent auditors. Visit www.caionline.org/financials.

ters held hundreds of additional events for members and others—community association days, seminars, specialized workshops, learning luncheons and social events.



It's important: National and chapter events give members and other association stakeholders opportunities to learn from experts and share invaluable expertise and insights. While the educational value of these events is enormous, the networking benefits may be just as significant to participants. There's no substitute for building a network of peers that is there when you need it. Homeowner leaders can call upon fellow board members to get advice about how they handled a certain situation or challenge. The same is true for managers and business partners. And many members will happily share this added benefit: Building genuine, long-lasting friendships as a result of their active CAI participation.

WHAT ELSE

- Award-winning publications like *Common Ground*[™] magazine and *Community Manager* newsletter
- A publishing division, CAI Press, with more than 100 books and publications that address virtually every aspect of association governance and management
- A highly successful federal Advocacy Summit that brought dozens of members to Washington, D.C., in October to discuss key association issues with legislators
- An annual retreat for chapter executive directors that builds stronger, more collaborative relationships between the national organization and our chapters

On behalf of the Board of Trustees, I extend a heartfelt thank you to all CAI members who made these and other member benefits and accomplishments possible in 2015. **CG**