

Momentum Drives CAI Success

THOMAS M. SKIBA, CAE
CHIEF EXECUTIVE OFFICER



“One way to keep momentum going is to have constantly greater goals.” —MICHAEL KORDA

FOR MORE THAN 40 YEARS, CAI has informed, educated, and advocated on behalf of all community association stakeholders. We’ve been committed to delivering world-class information, education, and resources to the growing number of common-interest communities. At CAI, our ideas in seizing today’s new opportunities while navigating the challenges of change are fueled by momentum. CAI is an organization built on a foundation of values, expertise, and experience—a foundation that represents our history and the people who make CAI what it is today and will be tomorrow. As we achieve continued growth and success, we know that together we build stronger, more engaged, and well-informed communities.

The 2016 Annual Report presents our strategy and showcases CAI’s pioneering role in addressing the challenges and opportunities for the community associations where you live

and work. Each year, CAI strives to provide a variety of education events and membership benefits and to support public policy initiatives that impact the communities you live in and serve. By creating and disseminating new membership services and using digital tools, we can continue to deliver powerful results and improve our customer service capabilities. We are proud that CAI is now the place for homeowners, government lead-

ers, and businesses to share their knowledge and skills and to ask questions about community association living. We know our strength is in our growth, and the momentum to serve will play a key role in our success.

SOURCES OF STRENGTH

CAI reached a monumental milestone in 2016 with a total membership of more than 34,000. And we did not get there alone. Thanks to our members who help us spread the word and share the value of CAI membership, we’ve experienced steady growth for the past 10 years—from 25,000 members in 2005 to 33,000 in 2015 and more than 34,000 in 2016. We’ve also had an average monthly retention rate of 87.4 percent in 2016—a testament to our high-performing membership team.

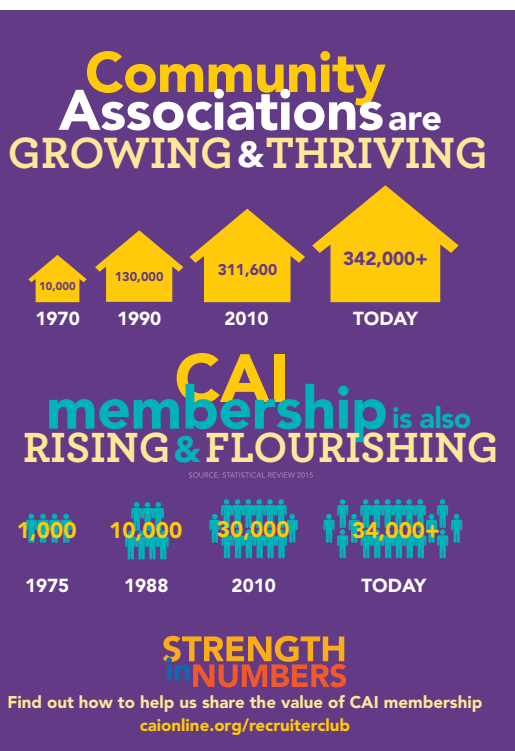
Efforts to encourage community association volunteer leaders (CAVLs) to join CAI and enhance their satisfaction will continue in 2017 under the new Strength in Numbers campaign. The first such effort is an online blog showcasing articles contributed by CAI members. The second effort is a comprehensive member survey. CAI will conduct a member-needs assessment this year to find out what you would like to gain from your membership. We’ll be asking your opinions about all of CAI’s products and services.

In this rapidly changing industry, CAI members have access to practical knowledge, insights from leaders in the field, best practices, research, tools, and education programs that help you stay current on the latest news, laws, and issues affecting community associations, condominiums, and cooperatives, and the homeowners who call them home.

CAI proudly announced its newest benefit, the Exchange, an online discussion forum that premiered in late April and has been a success from the start. More than 4,300 conversations have been conducted in this private, online community, answering questions about reserve studies, handling difficult situations, legislative issues, and more. Join in on the conversations at www.caionline.org/exchange.

EDUCATION AND TRAINING

Education is the foundation of success, and we know this is one



2016 Education Snapshot

6,077

PMDP students

1,818

Webinar participants

1,698

Board Leadership Development Workshop participants (online and chapter)

50

Business Partner Essentials participants

of the most important ways to interact with our members. Whether it is a Professional Management Development Program (PMDP) course, Annual Conference, Board Leadership Development Workshop, or a one-hour webinar, the ability to provide credible, valuable, and cost-effective professional development is a key element of our value proposition with every member.

Education programs performed well throughout 2016. PMDP registrations continue to be strong in both the classroom and online, proving that it remains one of CAI's most valuable and desired benefits. Between July 1, 2015, and June 30, 2016, more than 2,700 students participated in classroom-based PMDP courses across the U.S. Add to this more than 610 additional students who attended in-house or distance-learning courses, as well as more than 2,400 students in our online pro-

grams, and our total student count for the fiscal year was 5,792 in the U.S. Internationally, the Dubai Real Estate Institute (DREI) has delivered 12 classes to a total of 211 students, and our South Africa chapter presented three programs to 74 students. Altogether, 6,077 managers attended a PMDP course in FY2016.

A critical role of CAI is developing and disseminating training on community association management, governance, and specialized industry topics. CAI's ability as an organization to increase its members' success, regardless of membership category, is a critical success factor.

CAI is responsible for assessing the marketplace, developing relevant training programs, and delivering professional development to volunteer leaders, managers, and business partners. In addition to raising individual skill levels, training enables us to raise the overall competency of our industry more effectively and to develop standards and best practices that further our profession. Designation programs continue to perform strongly for both new and renewing designees. More than 115 professionals earned their Professional Community Association Manager (PCAM) designation and more than 350 earned the Association Management Specialist (AMS) designation.

SIGNATURE EVENTS

A big part of the CAI experience is bringing members together to learn from each other, share ideas and experiences, and build invaluable networks. CAI holds more than 1,000 events each year, from annual trade shows to monthly education programs. The 2016 Annual Conference and Exposition in Orlando, the largest international conference of its kind, was a huge success with more than 1,500 attendees and sponsors.



Growing Influence

WHAT HAPPENED TO 2016? I blinked, and it was gone.

CAI had a great year, with continued growth in strength, numbers, and impact on common-interest communities. The year saw the culmination of Community Next: 2020 and Beyond, an amazing look forward at the challenges facing associations. The four white papers on the future of association public policy, governance, management, and external influences are available at www.caionline.org/CommunityNext, and I urge you to not simply peruse them but to consider the implications on your community, management company, or business.

In 2016, we also saw the introduction of the Exchange, our members-only communication space. From the day the benefit was announced at the Annual Conference and Exposition in Orlando, it has been used heavily as a place to share and find valuable information.

By the time you read this, CAI will be one step closer to inaugurating the Middle East chapter, our 62nd. Combined with our South Africa chapter, CAI also is looked upon as a leader in Australia, Canada, and many other countries on our shrinking planet. I expect we may have another international chapter to announce in 2017.

This year, we had truly outstanding and dedicated leaders on our Board of Trustees, Association of Professional Community Managers Board, Business Partners Council, and Community Association Volunteers Committee. CAI's future is in very good hands, led by 2017 President Greg Smith and President-Elect John Hammersmith.

It was the greatest honor of my career to lead this organization in 2016, and I'm grateful for the opportunity. Go Team CAI!

KELLY G. RICHARDSON, ESQ.
2016 PRESIDENT

We also held events for members representing the community association business—the popular Community Association Law Seminar in New Orleans and the CEO-MC Retreat in Scottsdale, Ariz. This year, the Large-Scale Managers Workshop sold out. The annual event, designed exclusively for large-scale community managers, was held in Charleston, S.C.

Combined, these events drew more than 2,500 participants to experience unparalleled education and networking opportunities.

PUBLIC POLICY AGENDA

CAI maintains its work with legislators and regulators, conveys critical information, develops best practices, and improves

common-interest living for the almost 70 million Americans who make their homes in associations. Laws impacting the way you live and work in community associations are changing continuously. CAI advocates for sensible public policy. In 2016, we successfully protected members by stopping legislation damaging to community associations and supporting legislation benefitting them.

On the federal level, CAI worked on a number of critical issues, including mortgage finance reform, Federal Housing Administration certification for condominium associations, and disaster recovery assistance from the Federal Emergency Management Agency.

During 2016, we tracked and advocated for nearly 1,000 pieces of legislation proposed at state legislatures throughout the country and in the federal government. CAI collaborated with stakeholders from governments, developers, financial services, builders, real estate professionals, and others to identify common ground and promote an understanding of associations to ensure the laws that passed were the best possible for the people living and working in America's communities. A lot happened in 2016: For a full update, please visit www.caionline.org/advocacy.

RECOGNITION EARNED

Volunteer leaders are the backbone of community associations, and CAI believes there's a strong correlation between committed volunteers and a successful association. With that in mind, CAI recognized more than 20 association board members in 2016 as part of its Community Association Leader awards.

We also recognized the hard-working and dedicated volunteers who make a difference with CAI. Maryland management company executive and CAI Past President Edward D. Thomas, CMCA, AMS, PCAM, received the esteemed President's Award during the 2016 Annual Conference and Exposition in

FY2016: Another Strong Year

CAI continued the trend of financial success in 2016, ending the fiscal year with an operating surplus of \$605,705 and a total net surplus of \$450,753, including \$154,952 of realized and unrealized losses on investments. Both surpluses were among the highest in CAI's 40-year history and mark the seventh consecutive year of positive results.

Total revenue of \$13,209,648 was more than a quarter of a million dollars higher than the prior year and the highest since CAI's founding in 1973. Expenses of \$12,603,943 increased by 0.51 percent from FY2015 as variable costs generally conformed to revenue and staff continued efforts to hold operating costs in check. Based on these financial results, we have increased our net assets from a negative position seven years ago to more than \$3 million.

CAI's FY2016 audited financial statements received an unqualified ("clean") opinion by CAI's independent auditors. Visit www.caionline.org/financials.

Orlando. The award is presented to a member who has been instrumental in helping the president achieve CAI's goals. Marvin J. Nodiff, an attorney in Missouri, also was singled out for special recognition. Nodiff received the Distinguished Service Award for his long-standing and extraordinary contributions to CAI.

Robert A. Rothwell, DCAL, a resident of the Village Green Homeowners Association in Henderson, Nev., has been an ambassador for community association living and CAI for nearly 20 years. He was recognized with the Byron Hanke Award—named for one of CAI's original founders and presented periodically to an individual who supports education for homeowners—for "strongly encouraging all members of his association board to attend CAI classes."

Julie McGhee Howard, an attorney in Atlanta and a CAI past president, was recognized for her outstanding volunteer service and long-standing dedication to CAI and its chapters.



CAI PRESS AND PERIODICALS

CAI Press, the publishing division of CAI, is dedicated to publishing the very best resources for community associations. Today, it offers the largest collection of books on association governance, management, and operations. This year, CAI Press added four items to the online bookstore, including *The Guide to Strategic Planning* and *The Condo Book*.

We are especially pleased to announce that in 2016 our flagship periodical, *Common Ground*SM magazine, was recognized by Association Media and Publishing with a Gold EXCEL Award for Feature Article Design for "What Goes Up, Must Break Down" in the March/April 2015 issue. The magazine has won six EXCEL awards since 2008. In addition, *Community Manager* newsletter has won 13 EXCEL awards since 2008 and in 2016 was honored with an EXCEL Silver Award for Editorial Excellence.

As we begin a new year, we believe the momentum achieved in 2016 will continue as we work toward identifying and meeting the needs of homeowners, volunteer leaders, and the professionals who serve community associations. By working together, we strengthen our mission to inspire professionalism, effective leadership, and responsible citizenship—ideals reflected in community associations that are preferred places to call home. **CG**