

CAI in Motion

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Chief Executive Officer

An Extraordinary Year

ALTHOUGH OUR MEMBERS and our country continued to struggle with the aftereffects of the "Great Recession" in 2010, CAI continued to grow and expand its influence at home and abroad.

I am proud that 2010 saw CAI reach 30,000 members, but that wasn't the only milestone. Our education programs were especially successful, and we had record-setting attendance at the Annual Conference, the CEO-MC Retreat and the Large-Scale Managers Workshop.

Our growth continued at the national level, and we welcomed our 59th and 60th chapters, the latter being our first international chapter in South Africa. In addition, we have newly minted agreements with our partners in Canada and Dubai in the United Arab Emirates, and we continue to work closely with industry leaders in Australia. The bottom line is that CAI's education programs have achieved international recognition for their excellence.

CAI achieved unparalleled influence in legislative and regulatory arenas in 2010. Our national staff is working tirelessly at the federal level to stave off unfriendly actions and make sure the voice of community associations is heard. Our 33 legislative action committees have been doing the same yeoman's work at the state level. The result is that the federal government and state officials recognize CAI as a trusted resource for community association issues.

We also began to develop an online course to help CAI business partner members better understand the nature and needs of community associations. When introduced in 2011, the course will enable CAI product and service providers to earn a "distinction" that will give them a strong point of differentiation in the marketplace. This will support both our business partner members and their community association clients.

Finally, I am happy to report that CAI is in good financial health and well positioned to continue as the leader in all things relating to community associations.

P. MICHAEL NAGLE, ESQ., PRESIDENT, 2010



"For many CAI members, 2009 felt too much like 2008. Lenders foreclosed on countless thousands of homes, many of which remain vacant today. Many associations faced severe budgetary shortfalls."

SO BEGAN my 2009 annual report. Sadly, the challenges haven't changed all that much, although the economy seems to be emerging, however slowly, from the doldrums of this prolonged recession. There are even signs of a housing recovery—in some regions.

Still, many associations continue to struggle. That's why we are redoubling our efforts to provide more practical and tangible value to our members and the industry at large. Toward that end, we are:

- Aggressively protecting your interests in legislative and regulatory arenas.
- Upgrading and expanding the content of our professional development courses for managers, business partners and community leaders alike.
- Awarding increasingly recognized and respected professional designations—including our 2,000th Professional Community Association Manager designation in 2010.
- Providing unmatched learning and networking opportunities, including the Annual Conference and Exposition.
- Supporting our chapters so they can continue to provide invaluable information, education and resources.
- Providing fresh, award-winning content in our magazines and newsletters, as well as on our website and in our books.

Despite the challenges facing CAI and our industry, we celebrated a strong year and resolve to make 2011 even more successful and rewarding. Our mission is to help you do the same, whether you're a management professional, homeowner volunteer leader or service provider.

Everything we accomplish depends on the dedication and expertise of countless member volunteers across the country—our national and chapter leaders, education faculty, legislative action committee members, authors and others. They are the reason we can list the successes that follow.

FINANCIAL REPORTS. Financially, CAI experienced a highly successful 12 months in fiscal year 2009–10 (ending June 30, 2010), recording one of the largest surpluses in CAI history. And we kept costs in check, the result being an operating surplus of \$313,130 and a total net surplus of \$434,180, including unrealized gains on investments. Total revenue of \$10,634,477 increased by nearly 10 percent over fiscal year 2008–09, while expenses of \$10,321,347 increased by just 6 percent. Members can review the audited financial statements at www.caionline.org/financials.

Better Learning

To enhance the value of our Professional Management Development Program (PMDP), we updated and strengthened all six of our 200-level courses.

Strength in Numbers

We reached the 30,000-member milestone for the first time in CAI's 37-year history. Our continued growth—despite the recent economic downturn—is especially important because every new member makes CAI a stronger and more effective advocate for your associations, professions and businesses.

The Good Fight

CAI's advocacy has focused primarily on state legislation and regulation, but that's changing. The mortgage foreclosure crisis has prompted the federal government to play a more dominant role in a variety of issues that have a direct impact on the estimated 62 million Americans who live in community associations.

Transfer fees. We worked to derail or modify a proposal that would prohibit Fannie Mae, Freddie Mac and other federal home loan entities from purchasing mortgages for homes in associations that collect deed-based transfer fees. The Federal Housing Finance

Agency proposal would have the effect of eliminating access to most mortgages for any association that relies on such fees to fund operations and reserve accounts. The year ended with the issue stalled, in part because of CAI-inspired grassroots efforts.

Mortgage reform. As the federal government began the process of rewriting the rules for all mortgages, CAI engaged key decision makers in Congress and executive agencies through meetings, letters and white papers to ensure that association homeowners will be able to sell their properties.

State issues. Working with 411 volunteers on 33 state legislative action committees, we followed thousands of proposals in state legislatures. Prominent issues included securing priority lien status for past-due association assessments on foreclosed homes and promoting professionalism and consumer protection through appropriate manager licensing regulation.

Click and Find

We unveiled a new online National Service Directory, an expanded, enhanced and user-friendly resource to help managers and association boards find the right product and service providers.



Team Building

Nothing is more essential to the success of CAI than cooperation and collaboration between chapters and the national organization. With that imperative in mind, CAI held a first-ever retreat for chapter executive directors. The event was deemed an unqualified success and will be held annually.

Global Community

Housing and association leaders overseas increasingly recognize the value of CAI's education programs and professional credentials—so much so that South Africa became our first international partner and 60th chapter. CAI faculty members have taught customized PMDP courses in South Africa and Dubai in the United Arab Emirates, and we have signed an agreement that will help CAI and the Canadian Condominium Institute (CCI) share resources and establish reciprocity.

Telling Your Story

In a survey of 1,500 community managers, we learned that more than half of associations continue to face "serious" or "severe" issues related to

foreclosures and delinquencies. The survey data was used to draw media attention to the demands of association management and the difficult work being done by community managers and association boards.

CAI Made Easy

We added new web functionality, giving members the ability to renew their memberships, register for events and update their contact information. No paper, no stamps, less time and no delays.

Peer Recognition

Common Ground and *Community Manager* earned top awards in a national competition sponsored by Association Media & Publishing. The magazine won a silver award for The Legal Issue in September/October 2009. The newsletter, distributed to community management professionals, earned a gold award for general excellence and silver for newswriting.

2010 AT A GLANCE

- 1 New Federal Legislative Action Committee
- 2 New chapters in Jacksonville, Fla., and South Africa
- 19 National Corporate Members
- 46 Issues of *Common Ground* and five newsletters
- 130 Media contacts and interviews
- 175 Exhibitors at the Annual Conference in Las Vegas
- 704 Professional designations awarded
- 1,345 Participants in more than 20 webinars
- 1,690 Annual Conference participants
- 4,445 Students attending PMDP courses
- 30,000 Membership milestone reached in April
- 36,000 Books and brochures sold by CAI Press
- 2,344,846 Page views on www.caionline.org